

BK GENERAL INSURANCE COMPANY LIMITED  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2024

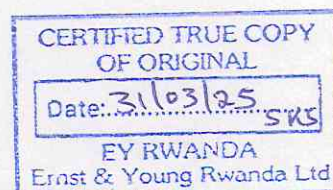
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Date: 31/03/25 SKS  
EY RWANDA  
Ernst & Young Rwanda Ltd

BK GENERAL INSURANCE COMPANY LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**BK GENERAL INSURANCE COMPANY LIMITED  
COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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BK General Insurance Company Ltd, a subsidiary of Bank of Kigali Group PLC, was incorporated as a limited liability company on 16<sup>th</sup> September 2015 by Rwanda Development Board and was licensed by the National Bank of Rwanda to transact non-life insurance business on 22 March 2016.

**Our Vision**

To be a leading provider of innovative, high quality insurance services

**Our Mission**

To provide innovative, high quality insurance services that add value to shareholders' investments through technology enhanced products and motivated professional staff

**Our Goals**

To exceed customer expectations and we have put in place strategies to become a customer centric company

**Registered office**

**BK General Insurance Company Ltd**

TIN: 103752228

P.O. Box 724 Kigali, Rwanda

E: bkinsurance@bk.rw

W: www.bkgi.rw

**Bankers**

Bank of Kigali Plc  
Kigali, Rwanda

Equity Bank Rwanda Plc  
Kigali, Rwanda

KCB Bank Rwanda Plc  
Kigali, Rwanda

Cogebanque Plc  
Kigali, Rwanda

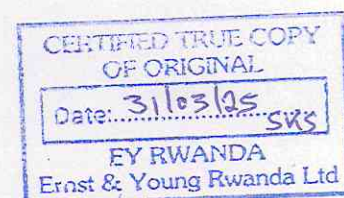
I&M Bank Rwanda Plc  
Kigali, Rwanda

Banque Populaire du Rwanda  
Plc  
Kigali, Rwanda

Zigama CSS  
Kigali, Rwanda

CBA Rwanda Plc  
Kigali, Rwanda

Bank of Africa Rwanda Plc  
Kigali, Rwanda



**BK GENERAL INSURANCE COMPANY LIMITED  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

The directors have the pleasure of submitting their report together with the audited financial statements for the year ended 31 December 2024, which disclose the state of affairs of BK General Insurance Company Limited (the "Company").

**PRINCIPAL ACTIVITY**

The Company underwrites classes of non-life (short term) insurance risks as defined by Law No. 52/2008 governing the organisation of insurance business in Rwanda.

**RESULTS**

The results for the year are set out on page 12.

**DIVIDEND**

The directors recommend payment of dividend for the year ended 31 December 2024 Amounting to Rwf'000. 1,086,087 (2023: Rwf'000. 790,266)

**RESERVES**

The reserves of the company are set out on page 14.

**DIRECTORS**

The Directors who served during the year and up to the date of this report are:

Name	Title	Status
Chantal Habiyakare	Chairperson	Independent member
Jean Enoch Habiyambere	V/Chairman	Independent member
Achumille Majija	Member	Independent member
Shehzad Noordally	Member	Independent member
Patrice Bastide M.G.M	Member	Non independent member
Athanase Rutabingwa	Member	Independent member

The members of board committees who served during the year and to the date of this report were:

Audit committee	Risk management committee	Underwriting&Claims Strategy committee	IAL&HR Committee
Shehzad Noordally, Chairman	Athanase Rutabingwa, Chairman	Jean Enoch Habiyambere, Chairman	Athanase Rutabingwa, Chairman
Patrice Bastide M.G.M	Achumille Majija	Patrice Bastide M.G.M	Nicholas Murimi
Nicholas Murimi	Jean Enoch Habiyambere	Achumille Majija	Shehzad Noordally

**AUDITOR**

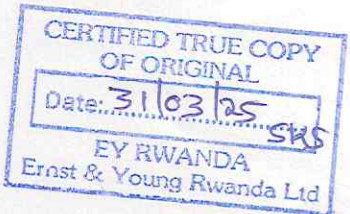
Ernst & Young Rwanda Limited as the external auditors in accordance with Regulation No. 44/2022 of 02/06/2022 on accreditation requirements and other conditions for external auditors for financial institutions and expressed willingness to continue in office.

By Order of the Board

  
Joelle G. RUZIGANA  
Company secretary



Date: 29/03/2025



**BK GENERAL INSURANCE COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

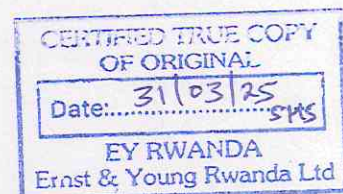
The Law No. 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023 requires the directors to prepare financial statements for each accounting period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the Company's profit or loss. It also requires the directors to ensure that the Company maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company.

The director accepts responsibility for the annual financial statements, which have been prepared using appropriate Material Accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board and the Law No. 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023. 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 operating results. The director 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 directors are of the opinion that the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, the Company's financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and the requirements of Law No. 007/2021 of 05/02/2021 governing companies.

**Approval of annual financial statements**

The financial statements on pages 12 to 113 were approved by the Board of directors and are signed on its behalf by:



**BK GENERAL INSURANCE COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

BK General Insurance Company Limited is owned by BK Group PLC and SWAN General Limited with 70% and 30% stakes respectively.

BK General Insurance Company Limited ("BK GI") is committed to adhering to the highest standards of good corporate governance at all levels of its operations. This commitment is rooted in our core values and beliefs. We have put in place elaborate governance processes, which comply with best practice as set out in various codes on Corporate Governance.

**Board of Directors & their meetings attendance**

The Board consists of four independent non-executive directors. The Board is composed of directors with a good mix of skills, experience, and competencies in the relevant fields of expertise and is well placed to take the business forward. Appointments to the Board are made after careful consideration.

During the year, the Board convened and held four (4) ordinary meetings. All the meetings convened had sufficient quorum. A review of attendance to meetings by individual members during the period under review indicates that all the members gave sufficient time and attention to the affairs of the Board.

The Directors in office and their attendance to main Board are as follows:

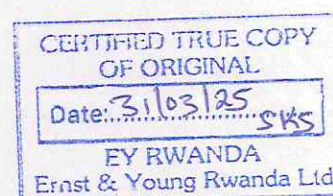
**Board Charter and Work Plan**

The Board Charter contains provisions that ensure that the Board observes best practice in corporate governance and contains among other things; the size, role and functions of the Board; appointments, induction and tenure of directors and Board performance evaluation and remuneration of directors. The Work Plan has a formal schedule of matters specifically reserved for the Board's attention to ensure it exercises full control over all significant matters. It sets out the schedule of meetings of the Board and its committees and the main business to be dealt with at those meetings. Additional meetings are scheduled as and when the need arises.

**Board Meetings**

The Board of Directors meet quarterly or as required in order to monitor the implementation of the Company's planned strategy, review it in conjunction with its financial performance and approves issues of strategic nature. Specific reviews are also undertaken on operational issues and future planning.

Position		Meetings eligible to attend	Meetings attended
Chantal Habiyakare	Chairperson	4	4
Jean Enoch Habiyambere	Vice chairman	4	4
Nicolas MURIMI	Director	4	3
Achumile MAJIJJA	Director	4	4
Athanase Rutabingwa	Director	4	4
Shehzad Noordally	Director	4	4
Patrice Bastide M.G.M	Director	4	4



**BK GENERAL INSURANCE COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Board Committees**

The Board has created the following principal committees, which normally meet on quarterly basis under well-defined and materially delegated terms of reference set by the Board.

**a. Audit Committee**

The Audit Committee in principle meets quarterly or as required. In accordance with regulatory requirement, the committee comprise non- executive members of the Board who are independent of the day today management of the company's operations with only one Non-Independent Director. The committee deals with all matters relating to the financial statements and internal control systems of the Company including dealing with independent auditors and National Bank of Rwanda inspectors. Below is the table indicating the composition of Audit Committee:

Names	Position	Status
Shehzad Noordally	Chairman	Independent
Patrice Bastide M.G.M	Member	Non-Independent
Nicolas MURIMI	Member	Non-Independent

**b. Risk Management Committee**

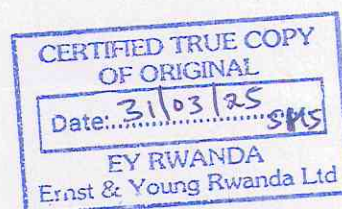
The committee was set up to assist the Board to mitigate risks in the Insurance business. It meets quarterly to advise the business on all matters pertaining to risk management in the market, operations and other risks. Below is the table indicating the composition of Risk Management Committee:

Names	Position	Status
Athanase Rutabingwa	Chairman	Independent
Achumile Majijja	Member	Independent
Jean Enoch Habiyambere	Member	Independent

**c. Investments, Assets, Liability and HR Committee**

The committee meets quarterly where applicable to review Company's investments, Assets and liabilities in addition to that, it reviews human resource policies and make suitable recommendations to the Board on senior management appointments and other related personnel. This committee advises the Board as well on remuneration related to employees. Below is the table indicating the composition of Investments, Assets, Liability and HR Committee:

Names	Position	Status
Athanase Rutabingwa	Chairman	Independent
Shehzad Noordally	Member	Independent
Nicolas MURIMI	Member	Non-Independent



**BK GENERAL INSURANCE COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

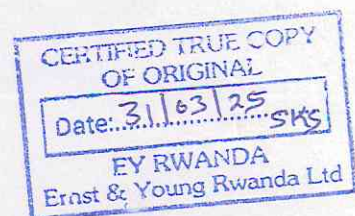
**d. Underwriting and Claims Strategy Committee**

This Committee was set to assist Board to understand the framework of the Insurance Business - Underwriting, Reinsurance and Claims. It reviews all reports related claims in line with corporate governance regulation and assess the adequacy of insurance reserves. It also advises the Board on the reinsurance treaties, related capacity and retention. Below is the table indicating the composition of Underwriting and Claims Strategy Committee:

Names	Position	Status
Jean Enoch Habiyambere	Chairman	Independent
Patrice Bastide M.G.M	Member	Non-Independent
Achumille Majijja	Member	Independent

**Separation of Role of Chairman from Managing Director**

The Chairman is responsible for managing the Board and providing leadership to the Company while the Managing Director is responsible to the Board for running the business in accordance with the delegation of powers given by the Board. The Managing Director directs the implementation of Board decisions and instructions and the general management of the business with the assistance of the Senior Management Team.



**REPORT OF THE INDEPENDENT AUDITORS  
TO THE MEMBERS OF  
BK GENERAL INSURANCE COMPANY LIMITED  
REPORT ON THE AUDITED FINANCIAL STATEMENTS**

**OPINION**

We have audited the financial statements of BK General Insurance Company Limited, which comprise the statement of financial position as at 31 December 2024, the statement of Comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements including a summary of Material Accounting policy information.

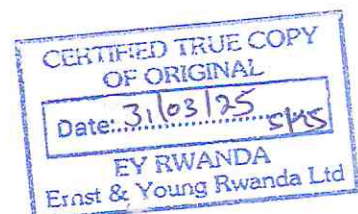
In our opinion, the financial statements present fairly, in all material respects, the financial position of BK General Insurance Company Limited as at 31 December 2024, and its financial performance its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of Law No. 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023.

**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 Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to the audit of the financial statements in Rwanda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 MATTER**

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, 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.

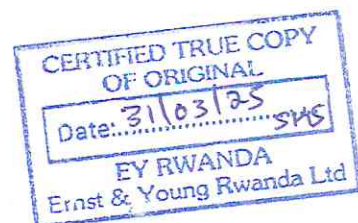


**REPORT OF THE INDEPENDENT AUDITORS  
TO THE MEMBERS OF BK GENERAL INSURANCE COMPANY LIMITED**

**KEY AUDIT MATTER (Continued)**

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 matter	Audit procedures to address key audit matter
<p><b><i>Determination of insurance contract liabilities</i></b></p> <p>Insurance contract liabilities included in note 28 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"> <li>• The estimation of the provisions involves significant judgement given the inherent uncertainty in estimating expected future outflows in relation to claims incurred.</li> <li>• 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.</li> <li>• The magnitude of the insurance contract liabilities balance (Rwf'000 3,496,113) in relation to total liabilities of Rwf 7,892,334 (2023: Rwf 000' 6,284,675 in relation to total liabilities Rwf 000' 10,160,554. These insurance contract liabilities involve significant judgment over uncertain future outcomes, mainly the ultimate total settlement value of the insurance contract.</li> </ul>	<p>Our testing approach included amongst others, the following procedures with the assistance of our actuarial specialists:</p> <ul style="list-style-type: none"> <li>• Evaluating and testing the controls around the claim reserving and settlement process.</li> <li>• Evaluating managements' review process of the provisions.</li> <li>• Comparing, for a sample of claims, the amounts as recorded in the claims systems to source documents.</li> <li>• Reviewing the reconciliation between the claims data and that used to calculate the reserves.</li> <li>• 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</li> </ul> <p>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.</p>



**REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)  
TO THE MEMBERS OF BK GENERAL INSURANCE COMPANY LIMITED**

**OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises the information included on pages 1 to 6 which includes the Directors' Report, Statement of Directors' Responsibilities and Statement of Corporate governance as required by Law No. 007/2021 of 05/02/2021 governing companies as amended by Law No. 019/2023 of 30 March 2023. The other information does not include the financial statements and our auditor's report thereon.

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

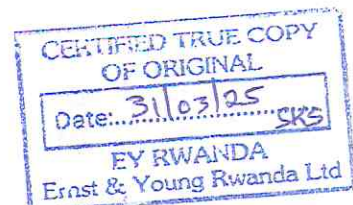
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE  
FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



**REPORT OF THE INDEPENDENT AUDITORS (CONTINUED)  
TO THE MEMBERS OF BK GENERAL INSURANCE COMPANY LIMITED**

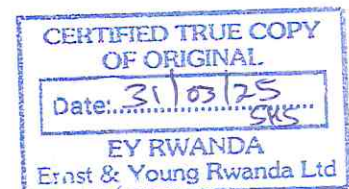
**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives 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 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 procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of Material Accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company'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 Company to cease to continue as a going concern.
- 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 communicate with those charged with governance 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 OF THE INDEPENDENT AUDITORS (CONTINUED)  
TO THE MEMBERS OF BK GENERAL INSURANCE COMPANY LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

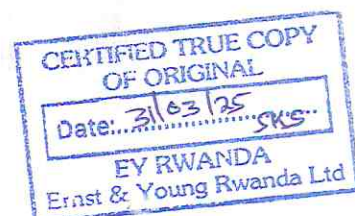
As required by the Law No. 007/2021 of 05/02/2021 governing Companies as amended by Law No. 019/2023 of 30/03/2023. We confirm that:

- i. We have no relationship, interests, and debts in the company.
- ii. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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.
- iv. We have communicated to you through the management letter, internal control weaknesses identified in the course of our audit including our recommendations with regard to those matters.



Stephen K Sang  
For and on behalf of Ernst & Young Rwanda Limited

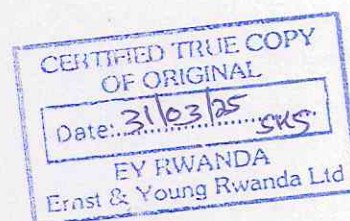
Date: 31 MARCH 2025



**BK GENERAL INSURANCE COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	31-Dec-24 Rwf'000	31-Dec-23 Rwf'000
Insurance Revenue	8	15,351,291	12,770,247
Insurance service expenses	9	(7,489,980)	(7,002,018)
Net expenses from reinsurance contracts held	10	(1,418,663)	(871,296)
<b>Net Insurance service result</b>		<b>6,442,648</b>	<b>4,896,933</b>
Interest and dividend income	11. a	2,309,539	1,969,660
Estimated Credit Losses on financial assets	4 e (ii)	(233,585)	(146,086)
<b>Net Investment Income</b>		<b>2,075,954</b>	<b>1,823,574</b>
Finance expense from insurance contract issued	12	67,169	7,274
Finance income from reinsurance contract held	13	(16,478)	20,028
<b>Net insurance finance expenses</b>		<b>50,691</b>	<b>27,302</b>
<b>Net Insurance and investment result</b>		<b>8,569,293</b>	<b>6,747,809</b>
Non attributable expenses	14	(2,608,321)	(2,332,826)
Revaluation deficit		(115,815)	-
Other Income	15	167,356	153,870
<b>Profit before tax</b>		<b>6,012,513</b>	<b>4,568,853</b>
Income Tax Expense	16	(1,668,165)	(1,407,789)
<b>Profit After Tax</b>		<b>4,344,348</b>	<b>3,161,064</b>
Other Comprehensive Income for the year		-	-
<b>Total Comprehensive Income for the Year</b>		<b>4,344,348</b>	<b>3,161,064</b>

The notes to the financial statements on pages 16 to 113 form an integral part of these financial statements.



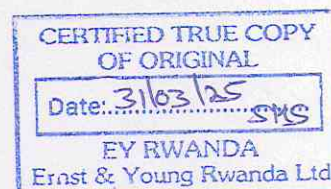
**BK GENERAL INSURANCE COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

		31-Dec-24	31 Dec 2023
		Rwf'000	Rwf'000
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment and motor vehicles	17	491,515	266,232
Intangible assets	18	467,028	235,064
Right-of-use assets	19.b	337,143	449,524
Deferred Tax asset	20	273,046	160,790
<b>Total non-current assets</b>		<b>1,568,732</b>	<b>1,111,610</b>
<b>Current assets</b>			
Insurance contract assets	21	467,903	398,548
Reinsurance contracts asset	22	2,857,410	2,515,513
Other receivables	23	543,511	501,660
Deposits with financial institutions	24	9,841,962	8,188,298
Investment in securities	25	11,585,002	12,448,004
Cash and bank balances	26	801,175	224,940
<b>Total current assets</b>		<b>26,096,963</b>	<b>24,276,963</b>
<b>Total assets</b>		<b>27,665,695</b>	<b>25,388,573</b>
<b>Non-current Liabilities</b>			
Lease liabilities	19.a	428,741	527,660
Insurance contract liabilities	28	3,496,113	6,284,675
Deferred tax liability		78,165	-
<b>Total Non-Current Liabilities</b>		<b>4,003,019</b>	<b>6,812,335</b>
<b>Current Liabilities</b>			
Creditors arising from reinsurance arrangements	29	1,656,810	1,026,489
Tax payable	27	227,432	52,089
Other payables	30	2,005,073	2,269,641
<b>Total Current Liabilities</b>		<b>3,889,315</b>	<b>3,348,219</b>
<b>Total liabilities</b>		<b>7,892,334</b>	<b>10,160,554</b>
<b>Equity</b>			
Share capital	31	3,000,000	3,000,000
Retained earnings		15,486,280	12,228,019
Revaluation reserve		200,994	-
Proposed dividends		1,086,087	-
<b>Total Equity</b>		<b>19,773,361</b>	<b>15,228,019</b>
<b>Total equity and liabilities</b>		<b>27,665,695</b>	<b>25,388,573</b>

The financial statements were approved for issue by the Board of Directors and signed on its behalf by:

  
 .....  
 Director

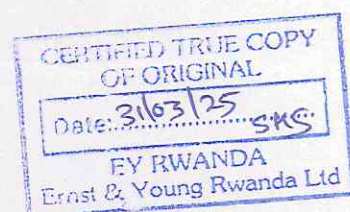
  
 .....  
 Director



BK GENERAL INSURANCE COMPANY LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Share Capital	Retained earnings and others reserves	Proposed dividends	Revaluati on reserve	Total Equity
		Rwf'000	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Balance as at 1 <sup>st</sup> January 2023		3,000,000	9,857,221	-	-	12,857,221
Profit for the period		-	3,161,064	-	-	3,161,064
Proposed dividend payable		-	(790,266)	-	-	(790,266)
Balance as at 31 December 2023		<u>3,000,000</u>	<u>12,228,019</u>	-	-	<u>15,228,019</u>
Balance as at 1 <sup>st</sup> January 2024		3,000,000	12,228,019	-	-	15,228,019
Profit for the period		-	4,344,348	-	-	4,344,348
Revaluation surplus		-	-	-	279,159	279,159
Deferred tax on revaluation surplus		-	-	-	(78,165)	(78,165)
Proposed dividend payable		-	(1,086,087)	1,086,087	-	-
Balance as at 31 December 2024		<u>3,000,000</u>	<u>15,486,280</u>	<u>1,086,087</u>	<u>200,994</u>	<u>19,773,361</u>

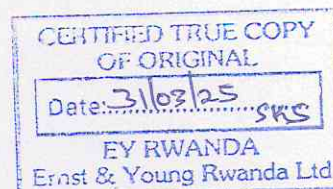
The notes to the financial statements on pages 16 to 113 form an integral part of these financial statements.



**BK GENERAL INSURANCE COMPANY LIMITED**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 Rwf '000	2023 Rwf '000
Profit before Income tax		6,012,513	4,568,853
Adjust for:			
Depreciation of Tangible assets	17	78,749	127,797
Amortization of intangible assets	18	23,999	26,181
Depreciation on right of use asset	19.b	112,381	112,381
Loss on disposal of ROU	19.b	-	10,301
Terminated lease liability	19.a	-	(4,240)
Revaluation deficit		115,815	-
Write off on non-recoverable VAT		-	188,950
Movement into expected credit loss of financial assets	4 e (ii)	233,585	146,086
Financial interest expense on lease liability	19.a	87,081	103,266
Interest income earned	11.a	(2,309,539)	(1,969,660)
		<b>4,354,584</b>	<b>3,309,915</b>
Changes in working capital:			
Increase / (decrease) in other receivables	23	(41,851)	(251,765)
Increase/(decrease) in reinsurance assets	22	(341,897)	(312,340)
Increase/ (decrease) in insurance contract asset	21	(69,355)	2,694,235
Increase / (decrease) in insurance contract liabilities	28	(3,011,752)	(1,647,948)
Increase / (decrease) in reinsurance and coinsurance payable	29	630,321	94,728
Increase / (decrease) in other payables	30	525,698	399,674
Tax paid in the year	27	(1,605,078)	(1,594,335)
<b>Net Cash flows generated from operations</b>		<b>440,670</b>	<b>2,692,164</b>
<b>Cash flows from investing activities</b>			
Purchases of property and equipment	17	(140,688)	(127,297)
Purchases of intangible assets	18	(255,963)	(51,100)
Purchase of term deposits with financial institutions	24	(3,000,000)	(2,200,000)
Proceeds from disposal of deposits with financial institutions	24	1,500,000	-
Interests received from Bank deposits	24	751,565	534,244
Purchase of T.Bonds	25 (i)	-	(1,203,153)
Proceeds from disposal of T.Bonds	25 (i)	988,588	-
Interest received from T.Bonds	25 (i)	1,125,023	1,099,420
Purchase of commercial paper	25 (ii)	-	(842,074)
Interest received from commercial paper	25 (ii)	-	120,074
Interest received from corporate bond	25 (iii)	124,999	125,000
Interests received from bank current accounts	11.a	20,519	8,051
<b>Net cash generated/(used) from investing activities</b>		<b>1,114,043</b>	<b>(2,536,835)</b>
<b>Cash flows from financing activities</b>			
Dividend paid		(790,266)	-
Lease interest payments	19.a	(87,081)	(103,265)
Lease principal payments	19.a	(98,919)	(82,735)
<b>Net cash flows from financing activities</b>		<b>(976,266)</b>	<b>(186,000)</b>
Net (decrease)/increase in cash and cash equivalents		578,447	(30,671)
Cash and cash equivalents at year start		224,940	255,440
Expected credit losses on cash		(2,212)	171
Cash and cash equivalents at period end		801,175	224,940

The notes to the financial statements on pages 16 to 113 form an integral part of these financial statements.



## 1. General information

BK General Insurance Company Limited underwrites short-term insurance business (non-life) risks. The company is a limited liability company incorporated and domiciled in Rwanda. The registered office is:

BK General Insurance Company Limited  
Ground Floor, I&M Old building  
P.O. Box 724 Kigali, Rwanda

## 2. Material Accounting policies

The principal Material Accounting policies adopted 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

#### (i) Compliance with IFRS

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IFRS Standards) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS.

#### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the certain financial assets carried at fair value through other comprehensive income.

#### (iii) Foreign currency transactions and balances

##### Functional and presentation currency

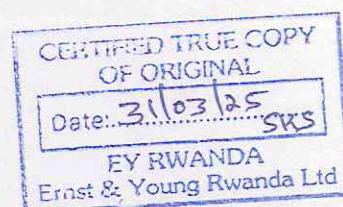
Items included in the financials are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Rwanda Francs (Rwf), which is the Company's functional and presentation currency.

##### Transactions and balances

Foreign currency transactions are translated using daily average exchange rates as declared by the National Bank of Rwanda. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'.

All other foreign exchange gains and losses are presented in the statement of comprehensive income account within 'other income'.



2. Material Accounting policies (continued)

(b) New standards, amendments, and interpretations

(i) *New standards, amendments, and interpretations effective and adopted during the year*

The Company has adopted the following new standards and amendments during the year ended 31 December 2024, including consequential amendments to other standards with the date of initial application by the Company being 1 January 2024. The nature and effects of the changes are as explained here in

Standards	Effective date
<ul style="list-style-type: none"> <li>Classification of Liabilities as Current or Non-current (Amendments to IAS 1)</li> </ul>	1 January 2024
<ul style="list-style-type: none"> <li>Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)</li> </ul>	1 January 2024
<ul style="list-style-type: none"> <li>Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7</li> </ul>	1 January 2024

i) *Classification of Liabilities as Current or Non-current - Amendments to IAS 1*

*Effective for annual periods beginning on or after 1 January 2024.*

**Key requirements**

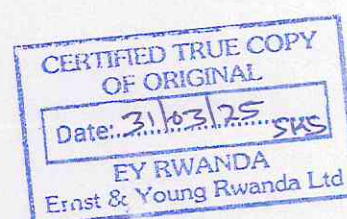
*In January 2020 and October 2022, the Board issued amendments to IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:*

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
- Disclosures

**Right to defer settlement**

The Board decided that if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. Furthermore, the Board specified that the requirements in paragraph 72B apply only to liabilities arising from loan arrangements.

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.



2. Material Accounting policies (continued)

b) New standards, amendments, and interpretations

(i) *New standards, amendments, and interpretations effective and adopted during the year*

i) Classification of Liabilities as Current or Non-current - Amendments to IAS (continued)

Management expectations

IAS 1.75A has been added to clarify that the 'classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period'. That is, management's intention to settle in the short run does not impact the classification. This applies even if settlement has occurred when the financial statements are authorised for issuance.

Meaning of the term 'settlement'

The Board added two new paragraphs (paragraphs 76A and 76B) to IAS 1 to clarify what is meant by 'settlement' of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.

Settlement by way of an entity's own equity instruments is considered settlement for the purpose of classification of liabilities as current or non-current, with one exception.

In cases where a conversion option is classified as a liability or part of a liability, the transfer of equity instruments would constitute settlement of the liability for the purpose of classifying it as current or non-current. Only if the conversion option itself is classified as an equity instrument would settlement by way of own equity instruments be disregarded when determining whether the liability is current or non-current.

Unchanged from the current standard, a rollover of a borrowing is considered the extension of an existing liability and is therefore not considered to represent 'settlement'.

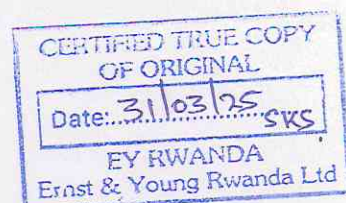
Disclosures

IAS 1.76ZA has been added to require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities.

Impact

The combined impact of the 2020 amendments and the 2022 amendments will have implications for entities applying them. Entities will, therefore, need to carefully consider the impact of the amendments on existing and planned loan agreements. In this context, it is important to highlight that the amendments must be applied retrospectively.

The adoption of these changes did not have significant impact on the amounts presented in the Company's financial statements.



2. Material Accounting policies (continued)

b) New standards, amendments, and interpretations

(i) *New standards, amendments, and interpretations effective and adopted during the year*

ii) Lease Liability in a Sale and Leaseback - Amendments to IFRS 16

Effective for annual periods beginning on or after 1 January 2024.

**Key requirements**

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.

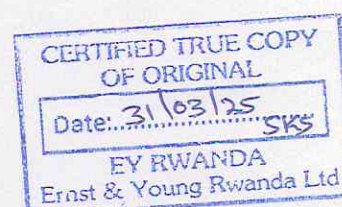
The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

**Transition**

A seller-lessee applies the amendment to annual reporting periods beginning on or after 1 January 2024.

A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16.

The adoption of these changes did not have significant impact on the amounts presented in the Company's financial statements.



2. Material Accounting policies (continued)

b) New standards, amendments, and interpretations

(i) *New standards, amendments, and interpretations effective and adopted during the year*

iii) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

Specific disclosures about supplier finance arrangements (SFAs). Amendments respond to investors that said they urgently need more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk. To meet investor's needs, the new disclosures will provide information about:

- a) The terms and conditions of SFAs
- b) The carrying amount of financial liabilities that are part of SFAs and the line items in which those liabilities are presented
- c) The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers.
- d) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- e) Non-cash changes in the carrying amounts of financial liabilities in (b)
- f) Access to SFA facilities and concentration of liquidity risk with the finance providers

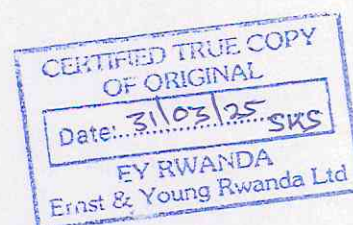
Entities will be required to aggregate the information they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information when the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods.

**Impact**

SFAs are described in the amendments as being characterised as arrangements in which one or more finance providers offer to pay amounts an entity owes its suppliers, and the entity agrees to pay according to the terms and conditions of the arrangement at the same date as, or a date later than, suppliers are paid. The arrangements typically provide the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the related invoice payment due date.

All entities that use SFAs in their operations will be required to provide the new disclosures provided they are material. The company does not have SFAs that are in the scope of these amendments.

The adoption of these changes will not affect the amounts and the disclosures of the Company's financial statements.



2. Material Accounting policies (continued)

b) New standards, amendments, and interpretations

(i) *New standards, amendments, and interpretations effective and adopted during the year*

i) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures

On 26 June 2023, after a year of deliberations on the feedback received on the two Exposure Drafts, the ISSB issued its first two IFRS sustainability disclosure standards (the ISSB standards). The standards are aimed to enable users of general-purpose financial reports to assess an entity's exposure to and management of sustainability-related risks and opportunities over the short, medium and long term, and inform their decisions relating to providing resources to an entity. Moreover, the sustainability-related financial information supplements and complements the information in the entity's general purpose financial statements. Under the governance of the IFRS Foundation, the ISSB works closely with the International Accounting Standards Board (the IASB), to ensure connectivity and compatibility between the IFRS accounting standards and the ISSB standards.

IFRS S1 sets out the general requirements for a complete set of sustainability-related financial disclosures and requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. The effect on the entity's prospects refers to the effect on the entity's cash flows, its access to finance or cost of capital over the short, medium or long term.

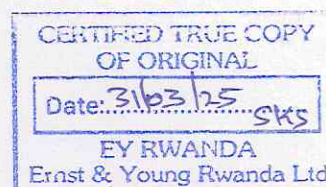
The information required by IFRS S1 relates to general aspects of how an entity operates, in particular, its governance, strategy, risk management, and metrics and targets associated with sustainability-related risks and opportunities.

IFRS S2 is the first topic-based standard issued by the ISSB and is to be applied in conjunction with IFRS S1.

**Impact**

Both IFRS S1 and IFRS S2 are effective for annual reporting periods beginning on or after 1 January 2024. However, the mandatory application of the ISSB standards depends on each jurisdiction's endorsement or regulatory processes and it is not linked to the application of the IFRS accounting standards. Therefore, an entity applying the IFRS accounting standards for financial reporting purposes is not required to also apply the ISSB standards, and vice versa.

The Rwanda regulators have not mandated application of the ISSB standards. It is possible that this could change in future.



2. Material Accounting policies (continued)

b) New standards, amendments, and interpretations

(ii) *New and amended standards and interpretations in issue but not yet effective for the year ended 31 December 2024*

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2024 and have not been applied in preparing these financial statements.

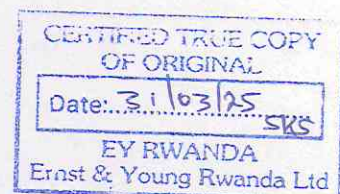
The Company does not plan to adopt these standards early. All standards and interpretations will be adopted at their effective date. These are summarised below;

Lack of exchangeability - Amendments to IAS 21	1 January 2025
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i) Lack of exchangeability - Amendments to IAS 21

The amendment requires disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. They apply to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier.

The adoption of these changes will not affect the amounts and the disclosures of the Company's financial statements.



2. Material Accounting policies (continued)
- b). Insurance and reinsurance contracts classification
- (i) *Classification*

The Company issues contracts that transfer insurance risk. Insurance contracts are those contracts that transfer significant insurance risk. As a general guideline, the Company defines a significant insurance risk, the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

Insurance contracts issued by the Company are classified as general insurance business based on the duration of the risk insured. Classes of general insurance include Aviation insurance, Engineering insurance, Fire insurance - domestic risks, Fire insurance - industrial and commercial risks, Liability insurance, Marine Insurance, Motor insurance - private vehicles, Motor insurance - commercial vehicles, Personal accident insurance, Theft insurance, Workmen's Compensation and Employer's Liability insurance and Miscellaneous insurance (i.e. class of business not included under those listed above).

Commercial insurance business means the business of affecting and carrying out contracts of insurance against loss of, or damage to, or arising out of or in connection with the use of, motor commercial vehicles, fire industrial, theft, workmen's compensation and liability inclusive of third party risks but exclusive of transit risks.

Personal accident insurance business means the business of affecting and carrying out contracts of insurance against risks related to motor private, fire domestic, risks of the persons insured sustaining injury as the result of an accident or of an accident of a specified class or dying as the result of an accident or of an accident of a specified class or becoming incapacitated in consequence of disease or of disease of a specified class.

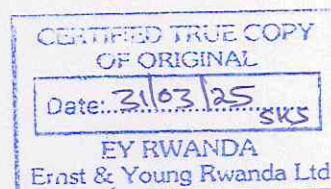
Engineering insurance business means the business of affecting and carrying out contracts of insurance, otherwise than incidental to some other class of insurance business against loss or damage to property relating to contractors all risks and construction related risks.

Marine-Aviation insurance business means the business of affecting and carrying out contracts of insurance, against loss of or damage related to aviation or marine related transport.

Miscellaneous insurance business means the business of affecting and carrying out contracts of insurance, against loss of or damage related to agricultural losses, bonds and personal travel risks.

Health insurance business means the business of affecting and carrying out contracts of insurance, against the cost of medical care.

The Company also issues reinsurance contracts in the normal course of business to compensate other entities for claims arising from one or more insurance contracts issued by those entities. The Company does not issue any contracts with direct participating features.



2. Material Accounting policies (continued)

b) Insurance and reinsurance contracts classification (continued)

ii) Separating components from insurance and reinsurance contracts

The Company assesses its non-life insurance and reinsurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation. Some reinsurance contracts issued contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive - either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately.

iii) Level of aggregation

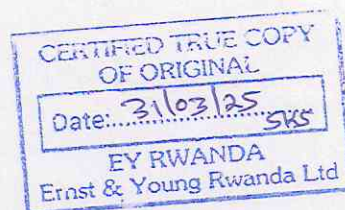
IFRS 17 requires a company to determine the level of aggregation for applying its requirements. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories:

- onerous contracts,
- contracts with no significant risk of becoming onerous, and the remainder.

This means that, for determining the level of aggregation, the Company identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the Company makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart. The Company has elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics. The Company applied a full retrospective approach for transition to IFRS 17.

The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)



2. Material Accounting policies (continued)

b) Insurance and reinsurance contracts classification (continued)

(iii) Level of aggregation (continued)

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Company assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Company assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances.

The Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information
- Results of similar contracts it has recognised.
- Environmental factors, e.g., a change in market experience or regulations

The Company divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

As per IFRS 17, the below portfolios have been identified:

- Commercial- Motor commercial, Fire Industrial, Theft, Workmen's Compensation and Employer's Liability
- Engineering
- Marine and Aviation
- Miscellaneous
- Personal - Motor Private, Fire Domestic.

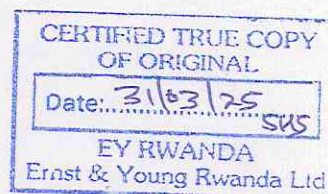
**Recognition**

The Company recognizes groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous

The Company recognizes a group of reinsurance contracts held it has entered into from the earlier of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. (However, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held. And



2. Material Accounting policies (continued)

b) Insurance and reinsurance contracts classification (continued)

(iii) Level of aggregation (continued)

Recognition (continued)

- The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.
- The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

Contract boundary

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with insurance contract services.

A substantive obligation to provide insurance contract services ends when:

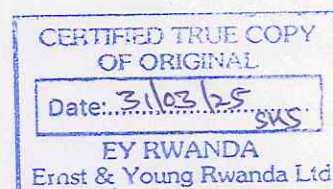
- The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks Or
- Both of the following criteria are satisfied:
  - The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio.
  - The pricing of the premiums up to the date when the risks are reassessed does not consider the risks that relate to periods after the reassessment date. A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

(ii) Measurement - Premium Allocation Approach

Measurement is not carried out at the level of individual contracts, but on the basis of groups of contracts. To allocate individual insurance contracts to groups of contracts, an entity first needs to define portfolios which include contracts with similar risks that are managed together. These portfolios are to be subdivided into groups of contracts on the basis of profitability and annual cohorts. IFRS 17 consists of 3 measurement models:

*The general measurement model (GMM)*, also known as the building block approach, consists of the fulfilment cash flows and the contractual service margin.

*The variable fee approach (VFA)* is a mandatory modification of the general measurement model regarding the treatment of the contractual service margin in order to accommodate direct participating contracts.



2. Material Accounting policies (continued)

b) Insurance and reinsurance contracts classification (continued)

ii) *Measurement - Premium Allocation Approach (continued)*

The premium allocation approach (PAA) is a simplified approach for the measurement of the liability for remaining coverage an entity may choose to use when the premium allocation approach provides a measurement which is not materially different from that under the general measurement model or if the coverage period of each contract in the group of insurance contracts is one year or less. Under the premium allocation approach, the liability for remaining coverage is measured as the amount of premiums received net of acquisition cash flows paid, less the net amount of premiums and acquisition cash flows that have been recognized in profit or loss over the expired portion of the coverage period based on the passage of time.

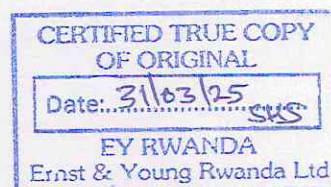
The measurement of the liability for incurred claims is identical under all three measurement models, apart from the determination of locked-in interest rates used for discounting. An explicit risk adjustment for non-financial risk is estimated separately from the other estimates for the liability for incurred claims.

This risk adjustment represents compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk. The risk adjustment forms part of the fulfilment cash flows for a group of insurance contracts.

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds.

Insurance revenue and insurance service expenses are recognised in the statement of comprehensive income based on the concept of services provided during the period. The standard requires losses to be recognised immediately on contracts that are expected to be onerous. For insurance contracts measured under the PAA, it is assumed that contracts are not onerous at initial recognition, unless facts and circumstances indicate otherwise. The Company's focus is to grow a profitable and sustainable business and does not anticipate the recognition of onerous contracts except where the following have been identified:

- Relevant pricing decisions.
- Initial stages of a new business acquired where the underlying contracts are onerous.
- Any other strategic decisions the board considers appropriate.



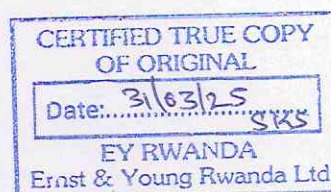
2. Material Accounting policies (continued)

b) Insurance and reinsurance contracts classification (continued)

• *Accounting policy choices*

The following table sets out the accounting policy choices adopted by the Company:

	IFRS 17 Options	Adopted approach
Premium Allocation Approach(PAA) Eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model	Coverage period for most of the company class of business is one year or less and so qualifies automatically for PAA. Both Engineering insurance and Performance guarantee insurance include contracts with coverage period greater than one year. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.
Insurance acquisition cash flows for insurance contracts issued	Where the coverage period of all contracts within a group is not longer than one year, insurance acquisition cash flows can either be expensed as incurred, or allocated, using a systematic and rational method to groups of insurance contracts. For groups containing contracts longer than one year, insurance acquisition cash flows are amortized over the coverage period of the related group.	BKGI has adopted both approaches depending on the nature of group contracts. For a one-year business, acquisition cashflow is expensed as incurred or allocated, using a systematic and rational method to groups of insurance contract. For all other businesses longer than one year, such as engineering and guarantee, insurance acquisition cashflow are amortized over the coverage period of the related group.
Liability for Remaining Coverage (LFRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LFRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LFRC.	For Engineering and Performance guarantee insurance, an allowance is made for accretion of interest on the LFRC. For all other business, there is no allowance as the premiums are received within one year of the coverage period.



2. Material Accounting policies (continued)

b) Insurance and reinsurance contracts classification (continued)

(iv) Accounting policy choices

Liability for Incurred Claims, (LFIC) adjusted for time value of money	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	For some claims within the property product line, the incurred claims are expected to be paid out in less than one year. Hence, no adjustment is made for the time value of money. For all other business, the LFIC is adjusted for the time value of money.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LFIC resulting from changes in discount rates and present this in OCI.	The change in LFIC as a result of changes in discount rates will be captured within profit or loss.

• Insurance contracts - initial measurement

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:

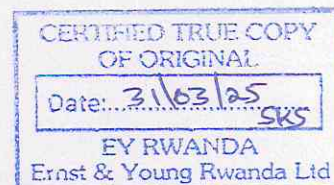
- The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary (refer to 2.2.4)

Or

- For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

- The extent of future cash flows related to any derivatives embedded in the contracts
- The length of the coverage period of the group of contracts



**2. Material Accounting policies (continued)**

**c) Insurance and reinsurance contracts classification (continued)**

**(v). Insurance contracts - initial measurement(continued)**

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition
- Minus any insurance acquisition cash flows at that date.
- Any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

**(vi). Reinsurance contracts held - initial measurement.**

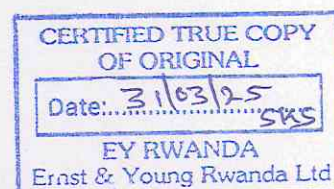
The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue. Where the Company recognizes a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company calculates the loss-recovery component by multiplying the loss recognized on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held. The Company uses a systematic and rational method to determine the portion of losses recognized on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

**(vii). Insurance contracts - subsequent measurement**

The Company measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period
- Minus insurance acquisition cash flows.
- Plus any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group
- Plus any adjustment to the financing component, where applicable
- Minus the amount recognised as insurance revenue for the services provided in the period
- Minus any investment component paid or transferred to the liability for incurred claims



2. Material Accounting policies (continued)

c) Insurance and reinsurance contracts classification (continued)

(vii). Insurance contracts - subsequent measurement

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Company, and include an explicit adjustment for non-financial risk (the risk adjustment). The Company does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred. Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Company recognizes a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognized. For additional disclosures on the loss component, please refer to Note 3.2.6.2. For a one-year business, acquisition cashflow is expensed as incurred or allocated, using a systematic and rational method to groups of insurance contract. For all other businesses longer than one year, such as engineering and guarantee, insurance acquisition cashflow are amortized over the coverage period of the related group.

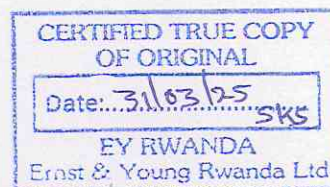
(viii). Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting, and starting a group of insurance contracts. If an impairment loss is recognized, the carrying amount of the asset is adjusted and an impairment loss is recognized in profit or loss. The Company recognizes in profit or loss a reversal of some or all of an impairment loss previously recognized and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved. For a one-year business, acquisition cashflow is expensed as incurred or allocated, using a systematic and rational method to groups of insurance contract. For all other businesses longer than one year, such as engineering and guarantee, insurance acquisition cashflow are amortized over the coverage period of the related group.

(ix) Insurance contracts - modification and derecognition

The Company derecognizes insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired) Or
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract. When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.



2. Material Accounting policies (continued)

c) Insurance and reinsurance contracts classification (continued)

(x) Presentation.

The Company has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities. This applies to reinsurance contracts held as well.

For a one-year business, acquisition cashflow is expensed as incurred or allocated, using a systematic and rational method to groups of insurance contract.

For all other businesses longer than one year, such as engineering and guarantee, insurance acquisition cashflow are amortized over the coverage period of the related group

The Company disaggregates the total amount recognized in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

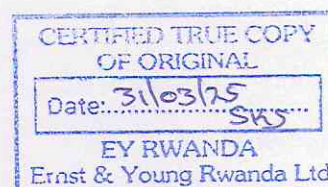
The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

(xi). Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses. The Company changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate. For the periods presented, all revenue has been recognized on the basis of the passage of time.

(xii). Loss components

The Company assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances mentioned in Note 3.a indicate that a group of insurance contracts is onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.



2. Material Accounting policies (continued)

c) Insurance and reinsurance contracts classification (continued)

(xiii). Insurance finance income and expense

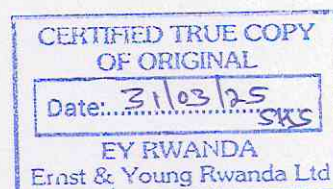
Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

The Company systematically allocates expected total insurance finance income or expenses over the duration of the group of contracts to profit or loss using discount rates determined on initial recognition of the group of contracts.

(xiv). Net income or expense from reinsurance contracts held

The Company presents as a single amount on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.



2. Material Accounting policies (continued)

d) Financial assets and Financial liabilities

(i) *Classification and measurement.*

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value based on both the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortized cost if both of the following conditions are met:

- i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company holds financial assets to generate returns and provide a capital base to provide for settlement of claims as they arise. The Company considers the timing, amount and volatility of cash flow requirements to support insurance liability portfolios in determining the business model for the assets as well as the potential to maximise return for shareholders and future business development.

Equity instruments are held at fair value through other comprehensive income.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios that is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of asset sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

A financial asset is measured at fair value through profit and Loss if managed in a fair value business model or has been designated by management upon initial recognition or is mandatorily required to be measured at fair value under IFRS 9. This category includes assets whose cash flow characteristics fail the Solely Payment of Principal and Interest (SPPI) criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

2. **Material Accounting policies (continued)**  
d) **Financial assets and Financial liabilities (continued)**  
(ii) **Recognition and derecognition**

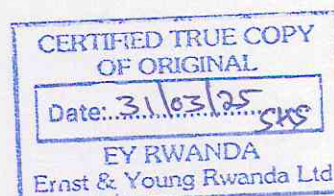
Financial assets are recognized when the company becomes a party to the contractual provisions of the asset. Initial recognition of financial asset is at fair value plus, for all financial assets except those carried at fair value through other comprehensive income and transaction costs. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the company has transferred substantially all risks and rewards of ownership.

In some circumstances, the renegotiation or modification of the contractual cash flows of a financial asset can lead to the derecognition of the existing financial asset in accordance with this Standard. When the modification of a financial asset results in the derecognition of the existing financial asset and the subsequent recognition of the modified financial asset, the modified asset is considered a 'new' financial asset for the purposes of this Standard. Accordingly, the date of the modification shall be treated as the date of initial recognition of that financial asset when applying the impairment requirements to the modified financial asset. This typically means measuring the loss allowance at an amount equal to 12-month expected credit losses until the requirements for the recognition of lifetime expected credit losses are met. However, in some unusual circumstances following a modification that results in derecognition of the original financial asset, there may be evidence that the modified financial asset is credit-impaired at initial recognition, and thus, the financial asset should be recognized as an originated credit-impaired financial asset. This might occur, it may be possible for the modification to result in a new financial asset which is credit-impaired at initial recognition.

Equity investments are carried at fair value. Gains and losses arising from changes in the fair value of equity investments are recognized through OCI. When equity investments are derecognized, the cumulative gains or losses previously recognized are also derecognized. Dividends on equity instruments are recognized in the statement of profit or loss when the company's right to receive payment is established.

Fair values of quoted investments in active markets are based on current bid prices. Fair values for unquoted equity securities are estimated using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants.

In accordance with IFRS 9, the 'expected credit loss' (ECL) model, results in credit losses are recognised earlier than under IAS 39. The ECL impairment model applies to financial assets measured at amortised cost. The entity also applies the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through other comprehensive income. Consequently, the company revised its impairment methodology. The Company assess whether impairment exists individually for financial assets and includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery, and all collateral has been realised. An asset is considered irrecoverable when the debtor is experiencing a significant financial difficulty, such as bankruptcy, insolvency or default on payments, legal proceedings such as pending litigations or regulatory actions which may hinder the client's ability to fulfil its obligations.



2. **Material Accounting policies (continued)**  
d) **Financial assets and Financial liabilities (continued)**  
(iii) **Recognition and derecognition (continued)**

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of profit or loss. The Company considers an instrument to be in default when contractual payments are 30 days past due for corporate clients and 60 days for NGOs and Government institutions.

The ECL impairment loss allowance is an unbiased, probability-weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD) and the possible exposure at default (EAD). Of equal importance is sound correlation between these parameters and forward-looking economic conditions.

ECL reflects an entity's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, an entity should also consider observable market information about the credit risk of the financial instrument or similar financial instruments.

(iv) **Impairment of financial assets**

In the absence of sufficient depth of data, management will apply expert judgment within a governance framework to determine the required parameters. The expert judgement process is based on available internal and external information.

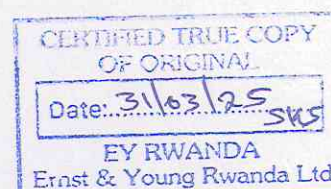
Forward-looking information includes but is not limited to macro-economic conditions expected in the future. Forward looking information used in the ECL calculation should reflect the nature and characteristics of the credit risk exposures. All reasonable and supportable information that is available should be used when incorporating forward-looking information into the ECL allowance. Forward looking assessments can be performed on an individual or collective basis.

Forward-looking factors have been aligned with risk factors used in risk assessments, stress testing, budgeting as well as strategy and pricing decisions. Relevant factors include factors intrinsic to the entity and its business or derived from external conditions.

Estimates regarding credit risk parameters and the impact of forward-looking information used in the calculation of the ECL loss amount should be reviewed at each reporting date and updated if necessary. The ECL loss amount depends on the specific stage where the financial instrument has been allocated to within the ECL model:

Stage 1: At initial recognition a financial instrument is allocated into stage 1, except for purchased or originated credit impaired financial instruments.

Stage 2: A financial instrument is allocated to stage 2 if there has been a significant increase in credit risk since initial recognition of the financial instrument. This is considered where the credit rating has moved by more than 2 basis points.



2. Material Accounting policies (continued)  
d) Financial assets and Financial liabilities (continued)  
(iv) Impairment of financial assets

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers quantitative and qualitative information, based on the company's historical experience, credit assessment and including forward-looking information. The company's assessment of a significant increase in credit risk from initial recognition consists of a primary and secondary risk driver as follows:

- The primary risk driver aligns to the quantitative credit risk assessments performed, such as the credit score, credit rating, probability of default or arrears aging of a financial instrument.
- The secondary risk assessment considers a broad range of qualitative risk factors based on a forward-looking view such as economic and sector outlooks. The secondary risk assessment can be performed on a portfolio basis as opposed to a quantitative assessment at a financial instrument level.

When making a quantitative assessment, the company uses the change in the probability of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date.

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk

Stage 3: A financial instrument is allocated to stage 3 if the financial instrument is in default or is considered to be credit impaired.

Under IFRS 9, impairment loss allowances are measured on either of the following bases:

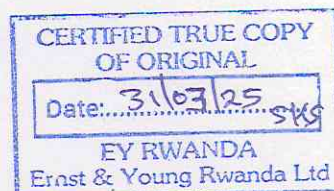
12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and  
Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Financial assets where credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers quantitative and qualitative information, based on the company's historical experience, credit assessment and including forward-looking information. The Company's assessment of a significant increase in credit risk from initial recognition consists of a primary and secondary risk driver as follows:

- The primary risk driver aligns to the quantitative credit risk assessments performed, such as the credit score, credit rating, probability of default or arrears aging of a financial instrument.
- The secondary risk assessment considers a broad range of qualitative risk factors based on a forward-looking view such as economic and sector outlooks. The secondary risk assessment can be performed on a portfolio basis as opposed to a quantitative assessment at a financial instrument level.



## 2. Material Accounting policies (continued)

### d) Financial assets and Financial liabilities (continued)

#### (iv) Impairment of financial assets (continued)

When making a quantitative assessment, the company uses the change in the probability of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk. Details on IFRS 9 impairment of financial instruments is outlined in note 4.

#### (v) Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery and derecognized from the balance sheet. An asset is considered irrecoverable when the debtor is experiencing a significant financial difficulty, such as bankruptcy, insolvency or default on payments, legal proceedings such as pending litigations or regulatory actions which may hinder the client's ability to fulfil its obligations.

If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these financial statements.

### Financial Liabilities

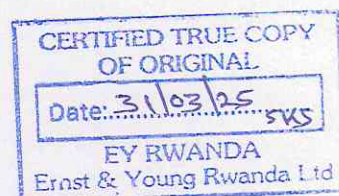
In both the current and prior period, financial liabilities are classified and subsequently measured at amortized cost.

Financial liabilities are derecognized when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). For the period ended 31 December 2023 and 2022, BK General Insurance limited had Other payables as financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

In both the current and prior period, financial liabilities are classified as subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process. For the period ended 31 December 2023 and 2023, BK General Insurance limited Plc had other payables as financial liabilities.

Financial liabilities are derecognized when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.



2 Material Accounting policies (continued)

Offsetting of financial instruments

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

e) Recognition of interest income

(i) *The effective interest rate method*

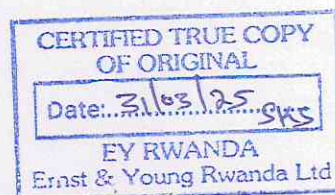
Interest income is recorded using the effective interest rate (EIR) method for all financial assets measured at amortized cost. Interest income on interest bearing financial assets measured at FVOCI under IFRS 9 is also recorded using the EIR method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortized cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on acquisition of the financial asset as well as fees and costs that are an integral part of the EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the debt instrument. If expectations of a fixed rate financial asset's cash flows are revised for reasons other than credit risk, and the changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference to the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset in the statement of financial position with a corresponding increase or decrease in interest income.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate, but when instruments were initially recognized at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

(ii) *Interest and similar income*

Interest income comprises amounts calculated using the effective interest method and other methods. These are disclosed separately on the face of the income statement. In its Interest income calculated using the effective interest method the Company only includes interest on financial instruments at amortized cost or FVOCI. Other interest income includes interest on all financial assets measured at FVPL, using the contractual interest rate. The Company calculates interest income on all financial assets that are not fully impaired (i.e Stage 1 and Stage 2), by applying the EIR to the gross carrying amount of the financial asset.



2. Material Accounting policies (continued)

f) Property and equipment

All categories of property and equipment are initially recorded at cost and subsequently stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized 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 income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to write down their cost to their residual values over their estimated useful lives, as follows:

Equipment and motor vehicles: 3 - 8 years.

Furniture & fittings: 4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The carrying amount of an item of property, plant and equipment shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and included in profit or loss when the item is derecognized.

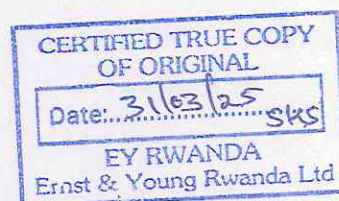
The revaluation may be performed in case the management judge the necessity to do so.

g) Intangible assets

The company's intangible assets relate to computer software. Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of ten years.

Development costs that are directly associated with the production of identifiable and unique software products controlled by the company, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets if:-

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product.
- It can be demonstrated how the software product will generate probable future economic benefits.
- Adequate technical, financial and other resources to complete the development and use or sell it are available; and,
- The expenditure attributable to the software product during its development can be reliably measured.



2. Material Accounting policies (continued)

g) Intangible assets (continued)

Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Other development expenditure that do not meet these criteria are recognized as an expense as incurred. Development costs that have been expensed are not recognized as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives on a straight-line basis. The existing intangible assets have a remaining useful life of two years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

An intangible asset shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal.

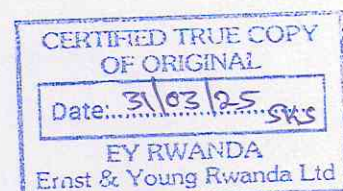
h) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized 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 other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

If impairment losses recognized/ reversed are material in aggregate to the financial statements as a whole, the company discloses in details the classes of assets affected, events and circumstances affected and provides the estimates used to measure recoverable amounts of cash generating units containing goodwill or intangible assets with indefinite useful life.

i) Accounting for leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration i.e., the customer has the rights to obtain substantially all the economic benefits from using the asset and direct the use of the asset.



2. Material Accounting policies (continued)

1. *Company acting as a lessee*

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by analyzing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased. Lease payments included in the measurement of the lease liability comprise the following:

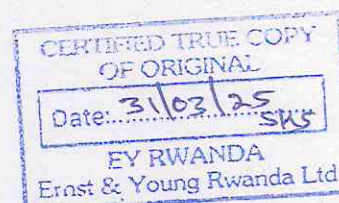
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets and lease liabilities in the statement of financial position.

(i) *Short-term leases and leases of low-value assets*

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



2. **Material Accounting policies (continued)**

I. **Company acting as a lessee (continued)**

(ii) **Extension and termination options**

Extension and termination options are included in a number of property leases across the company. These are used to maximize operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

II. **Company acting as a lessor**

When the Company acts as a lessor, it determines at inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

J) **Cash and cash equivalents**

Cash and cash equivalents are measured at amortized cost subsequent to initial recognition. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash and bank balances that are available on demand as at the reporting date. Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

K) **Employee benefits**

(i) **Retirement benefit asset/obligations**

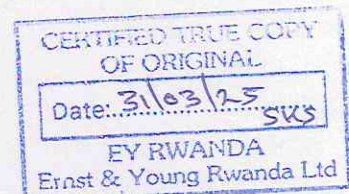
The Company's contributions to the defined contribution schemes are charged to the profit or loss account in the year to which they relate. Employer contribution is 9.8% of your Basic salary and an employee is eligible to join the Provident Fund on engagement.

Its employees also contribute to the appropriate national Social Security Fund, which are defined contribution schemes.

(ii) **Other entitlements**

Employee entitlements to long service awards are recognized when they accrue to employees. A provision is made for the estimated liability for such entitlements as a result of services rendered by employees up to the financial reporting date.

The estimated monetary liability for employees accrued annual leave entitlement at the financial reporting date is recognized as an expense accrual.



2. Material Accounting policies (continued)

l) Income and deferred tax

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with Rwanda tax laws.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax liability is settled. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in associates, subsidiaries, and joint arrangements, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

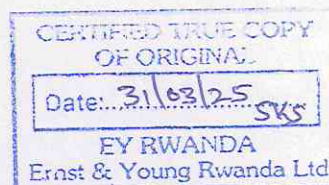
m) Currency and translation of foreign currencies

*Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Rwanda Francs which is the Company's functional currency.

(iii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account. Foreign exchange gains and losses that relate to other payables and cash and cash equivalents, as well as all other foreign exchange gains and losses are presented in the Foreign exchange (losses)/gains line item within the statement of other comprehensive income.



2. Material Accounting policies (continued)

n) Dividends

Dividends payable to the Company's shareholders are charged to equity in the period in which they are declared.

o) Share capital

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

p) Comparatives

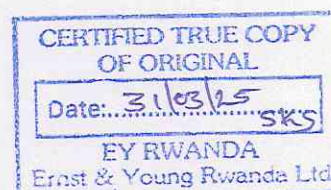
Where necessary, comparative figures have been restated to conform to changes in presentation in the current year.

q) Provisions

Provisions for legal claims are recognized when: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.



### 3. Critical accounting estimates and judgments in applying Material Accounting policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

#### (a) Onerous Groups

An insurance contract is onerous at the date of initial recognition if the fulfilment cash flows allocated to the contract, any previously recognized acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total are a net outflow. Management has assessed the onerous portfolios based on historical profitability.

#### (b) Liability for remaining coverage

Premium income is recognized on assumption of risks and includes estimates of premiums due but not yet received less unexpired portion of the coverage period. The liability for remaining coverage is the Company's obligation to:

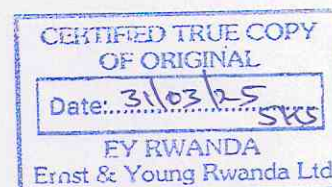
- (a) investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (i.e., the obligation that relates to the unexpired portion of the coverage period); and
- (b) pay amounts under existing insurance contracts that are not included in (a) and that related to:
  - a. insurance contract services not yet provided (i.e., the obligation that relates to future provision of insurance contract services); or
  - b. any investment component or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.

Reinsurance assets or liabilities are derecognized when the contractual rights are extinguished or expire or when the contract is transferred to another party.

For groups of contracts measured under the Premium Allocation Approach, the liability for remaining coverage at any point in time is calculated as the sum of the liability for the remaining coverage excluding any loss component. Using the premium allocation approach, the Company measures the liability for remaining coverage as follows:

- a) On initial recognition, the carrying amount of the liability is:
  1. The premiums, if any, received at initial recognition.
  2. Minus any insurance acquisition cash flows at that date
  3. Plus, or minus any amount arising from the derecognition at that date of;
    - Any asset for insurance acquisition cashflows and
    - Any other asset or liability previously recognizes for cash flows

At the end of each subsequent reporting period, the carrying amount of the liability is the carrying amount at the start of the reporting period:



**3. Critical accounting estimates and judgments in applying Material Accounting policies (continued)**

1. plus the premiums received in the period
2. minus insurance acquisition cash flows;
3. plus any amounts relating to the amortisation of insurance acquisition cash flows recognised as an expense in the reporting period; unless the entity chooses to recognise insurance acquisition cash flows as an expense;
4. minus the amount recognised as insurance revenue for insurance contract services coverage provided in that period.

**Risk adjustment**

The Company has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, the Company has assessed its indifference to uncertainty for all portfolios (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Company has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

**D) Assets for insurance acquisition cash flows**

BKGI has adopted both approaches depending on the nature of group contracts.

For a one-year business, acquisition cashflow is expensed as incurred.

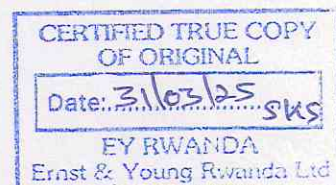
For all other businesses longer than one year, such as engineering and guarantee, insurance acquisition cashflow are amortised over the coverage period of the related group.

The asset for insurance acquisition cashflow is derecognized when the contractual rights are extinguished or expire or when the contract is transferred to another party.

**(c) Fair value of financial instruments**

Fair values of certain financial assets recognized in the financial statements may be determined in whole or part using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data.

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example models) are used to determine fair values, they are validated and periodically independently reviewed by qualified senior personnel. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates.



3. Critical accounting estimates and judgments in applying Material Accounting policies (continued)

(d) Impairment losses on financial assets (ECL)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers quantitative and qualitative information, based on the company's historical experience, credit assessment and including forward-looking information.

When making a quantitative assessment, the company uses the change in the probability of default occurring over the expected life of the financial instrument. This requires a measurement of the probability of default at initial recognition and at the reporting date.

(e) Determining the right-of-use assets and lease liabilities

The right-of-use assets, the restoration costs and lease liabilities recognized in the financial statements is determined using a financial model. The assumptions applied in the model including lease term extension options, Incremental Borrowing Rate and restoration provision costs are determined by management by analyzing various external sources and making certain adjustments to reflect the terms of the lease and type of asset leased as outlined on note 2 (k).

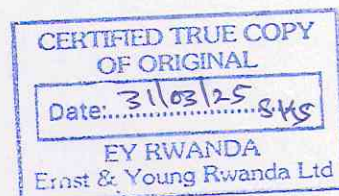
Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

(f) Income taxes

Judgement is required in determining the Company's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In the current year, the directors have recognized a deferred income tax asset of Rwf 273 (2023 Rwf 160 M) because they are of the view that this will be recovered in future periods.



4. Insurance and financial risk

(I). Insurance risk

a. Non-Life insurance contracts and reinsurance contracts

The Company principally issues the following types of non-life insurance contracts: personal accident; marine; property; and liability reinsurance. For non-life insurance contracts, the most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk. The objective of the Company is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance and reinsurance contracts that it issues.

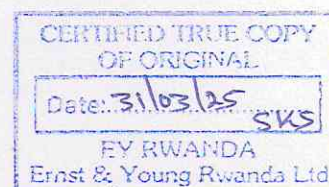
The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Company.

The Company further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately.

The Company purchases reinsurance as part of its risk mitigation programmed. Reinsurance held is placed on a proportional basis. Proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Company to its marine business. Amounts recoverable from reinsurers are estimated in a manner consistent with underlying insurance contract liabilities and in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations.

The Company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract. There is no single counterparty exposure that exceeds 5% of total reinsurance assets at the reporting date. The following tables show the concentration of net insurance contract liabilities by type of contract:

Class of Business	2024			2023		
	Insurance	Reinsurance	Net	Insurance	Reinsurance	Net
Accident	83,872	8,811	75,061	91,898	6,485	85,413
Motor	1,138,828	650,652	488,176	4,765,092	710,179	4,054,913
Engineering	662,122	500,769	161,352	823,251	701,989	121,261
Property	828,609	751,732	76,876	534,184	485,898	48,286
Transportation	6,443	23,320	(16,877)	4,880	10,628	(5,748)
Guarantee	134,114	75,774	58,341	163,155	80,338	82,817
Liability	90,505	90,887	(382)	128,796	67,664	61,131
Miscellaneous	551,621	755,464	(203,843)	(226,580)	452,332	(678,912)
<b>Total Net Contracts</b>	<b>3,496,113</b>	<b>2,857,410</b>	<b>638,703</b>	<b>6,284,675</b>	<b>2,515,513</b>	<b>3,769,162</b>



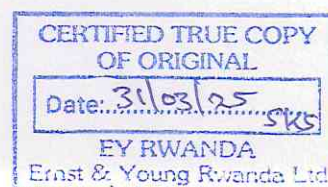
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4. Insurance and financial risk (continued)  
 (l). Insurance risk (continued)  
 b) Sensitivities

The liability for incurred claims is sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following sensitivity analysis shows the impact on gross and net liabilities, profit before tax and equity for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis. It should be noted that movements in these assumptions are nonlinear. The method used for deriving sensitivity information did not change. However, the assumption on inflation has been changed considering the projected trend.

2024					
Rwf'000	Change in assumptions	Impact on profit before tax gross of Reinsurance	Impact on profit before tax Net of Reinsurance	Impact on Equity tax gross of Reinsurance	Impact on Equity tax Net of Reinsurance
Expected loss	10%	462,088	357,463	332,703	257,373
Inflation rate	5.80%	268,011	207,328	192,968	149,277
Expected loss	-10%	(462,088)	(357,463)	(332,703)	(257,373)
Inflation rate	-5.80%	(268,011)	(207,328)	(192,968)	(149,277)
2023					
Rwf'000	Change in assumptions	Impact on profit before tax gross of Reinsurance	Impact on profit before tax Net of Reinsurance	Impact on Equity tax gross of Reinsurance	Impact on Equity tax Net of Reinsurance
Expected loss	10%	414,054	324,131	293,978	230,133
Inflation rate	6.40%	264,994	207,444	188,146	147,285
Expected loss	-10%	(414,054)	(324,131)	(293,978)	(230,133)
Inflation rate	-6.40%	(264,994)	(207,444)	(188,146)	(147,285)



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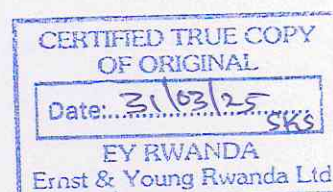
4. Insurance and financial risk (continued)  
(I). Insurance risk (continued)  
C) Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date. As required by IFRS 17, in setting claims provisions, the Company gives consideration to the probability and magnitude of future experience being more adverse than assumed which is reflected in the risk adjustment. In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain. The Company has not disclosed previously unpublished information about claims development that occurred earlier than five years before the end of the annual reporting period in which it first applies IFRS 17.

Rwf'000	Before 2019	2019	2020	2021	2022	2023	2024	Total
<b>Accident Year</b>								
At end of accident year								26,395,294
One year later	3,223,246	3,048,470	3,484,494	4,127,597	4,077,187	3,816,192	4,618,108	
Two years later	3,383,077	3,143,929	3,730,816	4,218,495	4,138,973	3,886,049	-	
Three Years Later	3,383,077	3,144,764	3,750,094	4,221,502	4,146,241	-	-	
Four Year Later	3,383,077	3,144,764	3,751,614	4,221,502	-	-	-	
Five year later	3,383,077	3,144,764	3,751,614	-	-	-	-	
Six Year Later	3,383,077	3,147,135	-	-	-	-	-	
Gross estimates of the undiscounted amount of the claims	3,383,077	3,147,135	3,751,614	4,221,502	4,146,241	3,886,049	4,618,108	27,153,726
At end of accident year								12,709,011
One year later	1,903,284	1,626,212	2,147,616	2,589,072	2,449,135	1,993,691	2,345,305	
Two years later	2,967,012	2,476,511	3,096,174	3,626,606	3,419,965	3,117,120	-	
Three Years Later	3,241,086	2,837,329	3,506,801	3,823,641	3,678,456	-	-	
Four Year Later	3,300,776	2,988,237	3,573,449	3,903,169	-	-	-	
Five year later	3,353,881	3,042,773	3,597,730	-	-	-	-	
Six Year Later	3,367,407	3,113,880	-	-	-	-	-	
Cumulative payments to date	3,367,907	3,113,880	3,597,730	3,903,169	3,678,456	3,117,120	2,345,305	23,123,567
Gross undiscounted liabilities for incurred claims	15,170	33,255	153,884	318,333	467,785	768,929	2,272,803	4,030,159
Effect of discounting								368,959
Total gross liabilities for incurred claims								3,661,199

Gross undiscounted liabilities for incurred claims for 2024 - Motor

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims Relate to Motor Insurance	3,661,199	74,644	3,735,843



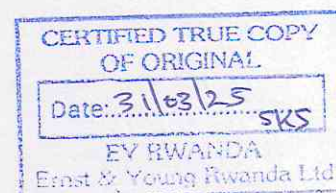
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4. Insurance and financial risk. (continued)  
 (I). Insurance risk (continued)  
 Claims development table (Continued)

Gross undiscounted liabilities for incurred claims for 2024 - Property

Rwf'000	Before 2019	2019	2020	2021	2022	2023	2024	Total
Accident Year								
At end of accident year	218,866	2,081	31,762	18,891	165,982	69,743	354,172	861,497
One year later	220,156	5,698	35,257	20,394	171,973	86,067	-	-
Two years later	220,156	5,698	35,257	20,394	171,973	-	-	-
Three Years Later	220,156	5,698	35,257	22,395	-	-	-	-
Four Year Later	220,156	5,698	39,899	-	-	-	-	-
Five year later	220,156	5,698	-	-	-	-	-	-
Six Year Later	220,156	-	-	-	-	-	-	-
Gross estimates of the undiscounted amount of the claims	220,156	5,698	39,899	22,395	171,973	86,067	354,172	900,360
At end of accident year	8,859	1,926	31,762	17,448	158,403	58,002	31,249	276,400
One year later	21,031	4,870	35,257	20,394	166,973	85,067	-	-
Two years later	21,291	5,543	35,257	20,394	171,973	-	-	-
Three Years Later	220,156	5,543	35,257	22,395	-	-	-	-
Four Year Later	220,156	5,543	39,899	-	-	-	-	-
Five year later	220,156	5,543	-	-	-	-	-	-
Six Year Later	220,156	-	-	-	-	-	-	-
Cumulative payments to date	220,156	5,543	39,899	22,395	171,973	85,067	31,249	576,282
Gross undiscounted liabilities for incurred claims	-	155	-	-	-	1,000	322,923	324,078
Effect of discounting								38,804
Total gross liabilities for incurred claims								285,274

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims Relate to Fire	285,274	42,947	328,221



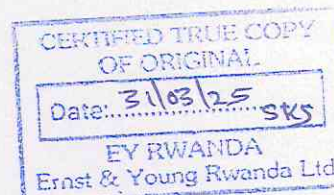
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
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4. Insurance and financial risk. (continued)  
(I). Insurance risk (continued)  
Claims development table

Gross undiscounted liabilities for incurred claims for 2024 - Engineering

Rwf'000	Before 2019	2019	2020	2021	2022	2023	2024	Total
<b>Accident Year</b>								
At end of accident year	62,399	36,487	58,290	62,478	90,054	218,090	154,915	682,713
One year later	62,474	36,487	82,528	99,475	107,250	264,349	-	-
Two years later	62,474	36,487	86,834	99,475	112,289	-	-	-
Three Years Later	62,474	36,487	86,834	99,475	-	-	-	-
Four Year Later	62,474	36,487	86,834	-	-	-	-	-
Five year later	62,474	36,487	-	-	-	-	-	-
Six Year Later	62,474	-	-	-	-	-	-	-
<b>Gross estimates of the undiscounted amount of the claims</b>	62,474	36,487	86,834	99,475	112,289	264,349	154,915	816,823
At end of accident year	8,452	36,487	6,208	44,918	15,888	116,649	65,560	228,602
One year later	13,962	36,487	77,879	97,603	106,252	236,647	-	-
Two years later	62,474	36,487	83,888	98,438	111,291	-	-	-
Three Years Later	62,474	36,487	86,294	98,438	-	-	-	-
Four Year Later	62,474	36,487	86,834	-	-	-	-	-
Five year later	62,474	36,487	-	-	-	-	-	-
Six Year Later	62,474	-	-	-	-	-	-	-
Cumulative payments to date	62,474	36,487	86,834	98,438	111,291	236,647	65,560	697,731
Gross undiscounted liabilities for incurred claims	-	-	-	1,038	998	27,703	89,355	119,094
Effect of discounting								7,852
<b>Total gross liabilities for incurred claims</b>								<b>111,242</b>

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims Relate to Engineering	111,242	6,935	118,177



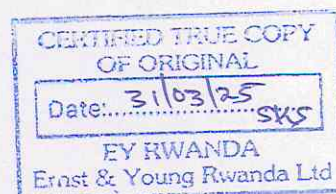
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

4. Insurance and financial risk. (continued)  
 (I). Insurance risk (continued)  
 Claims development table

Gross undiscounted liabilities for incurred claims for 2024 - Liability

Rwf'000	Before 2019	2019	2020	2021	2022	2023	2024	Total
<b>Accident Year</b>								
At end of accident year	13,942	2,000	16,730	34,463	11,077	12,553	13,825	104,590
One year later	18,091	2,000	17,114	36,278	22,692	19,189	-	
Two years later	18,091	2,000	22,441	38,472	22,692	-	-	
Three Years Later	20,091	2,000	23,441	38,472	-	-	-	
Four Year Later	20,091	2,000	23,441	-	-	-	-	
Five year later	20,091	2,000	-	-	-	-	-	
Six Year Later	20,091	-	-	-	-	-	-	
<b>Gross estimates of the undiscounted amount of the claims</b>								
At end of accident year	20,091	2,000	23,441	38,472	22,692	19,189	13,825	139,710
One year later	2,628	-	13,558	32,526	-	2,476	13,825	51,188
Two years later	17,591	2,000	17,114	36,278	12,615	9,112	-	
Three Years Later	18,091	2,000	22,441	38,472	12,615	-	-	
Four Year Later	20,091	2,000	22,941	38,472	-	-	-	
Five year later	20,091	2,000	23,441	-	-	-	-	
Six Year Later	20,091	-	-	-	-	-	-	
<b>Cumulative payments to date</b>								
At end of accident year	20,091	2,000	23,441	38,472	12,615	9,112	13,825	119,556
Gross undiscounted liabilities for incurred claims	-	-	-	-	10,077	10,077	-	20,154
Effect of discounting								1,573
<b>Total gross liabilities for incurred claims</b>								<b>18,581</b>

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims			
Relate to Liability	18,581	799	19,380



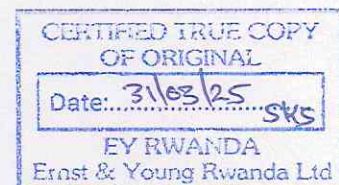
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

4. Insurance and financial risk. (continued)  
(I). Insurance risk (continued)  
Claims development table

Gross undiscounted liabilities for incurred claims for 2024 - Accident

Rwf'000	Before 2019	2019	2020	2021	2022	2023	2024	Total
<b>Accident Year</b>								
At end of accident year	51,747	223	11,192	1,417	7,469	9,692	37,990	119,730
One year later	54,697	9,304	11,192	7,010	9,182	12,417	-	-
Two years later	60,197	9,596	11,607	8,380	9,182	-	-	-
Three Years Later	60,197	9,596	11,607	8,380	-	-	-	-
Four Year Later	60,197	9,596	11,607	-	-	-	-	-
Five year later	60,197	9,596	-	-	-	-	-	-
Six Year Later	60,197	-	-	-	-	-	-	-
Gross estimates of the undiscounted amount of the claims	60,197	9,596	11,607	8,380	9,182	12,417	37,990	149,369
At end of accident year	3,967	55	29	348	128	7,038	3,676	11,565
One year later	11,305	3,304	29	4,519	5,559	11,462	-	-
Two years later	57,253	3,304	5,639	8,380	8,759	-	-	-
Three Years Later	60,053	6,596	5,639	8,380	-	-	-	-
Four Year Later	60,197	6,596	5,639	-	-	-	-	-
Five year later	60,197	9,596	-	-	-	-	-	-
Six Year Later	60,197	-	-	-	-	-	-	-
Cumulative payments to date	60,197	9,596	5,639	8,380	8,759	11,462	3,676	107,709
Gross undiscounted liabilities for incurred claims	-	-	5,968	-	423	955	34,314	41,660
Effect of discounting								3,690
<b>Total gross liabilities for incurred claims</b>								<b>37,970</b>

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims Relate to Accident	37,970	2,525	40,495



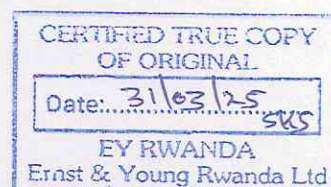
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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4. Insurance and financial risk. (continued)  
 (I). Insurance risk (continued)  
 Claims development table

Gross undiscounted liabilities for incurred claims for 2024- Marine

Rwf'000	Before 2019	2019	2020	2021	2022	2023	2024	Total
<b>Accident Year</b>								
At end of accident year	20,179	36,969	418	-	-	1,337	18,973	77,876
One year later	22,479	36,969	418	1,088	-	1,337	-	-
Two years later	22,479	36,969	418	1,088	-	-	-	-
Three Years Later	22,479	36,969	418	1,088	-	-	-	-
Four Year Later	22,479	36,969	418	-	-	-	-	-
Five year later	22,479	36,969	-	-	-	-	-	-
Six Year Later	22,479	-	-	-	-	-	-	-
Gross estimates of the undiscounted amount of the claims	22,479	36,969	418	1,088	-	1,337	18,973	81,264
<b>At end of accident year</b>								
At end of accident year	20,179	36,969	418	-	-	1,337	3,224	58,903
One year later	22,479	36,969	418	1,088	-	1,337	-	-
Two years later	22,479	36,969	418	1,088	-	-	-	-
Three Years Later	22,479	36,969	418	1,088	-	-	-	-
Four Year Later	22,479	36,969	418	-	-	-	-	-
Five year later	22,479	36,969	-	-	-	-	-	-
Six Year Later	22,479	-	-	-	-	-	-	-
Cumulative payments to date	22,479	36,969	418	1,088	-	1,337	3,224	65,515
Gross undiscounted liabilities for incurred claims	-	-	-	-	-	-	15,749	15,749
Effect of discounting								435
Total gross liabilities for incurred claims								15,314

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims Relate to Transportation	15,314	45	15,359



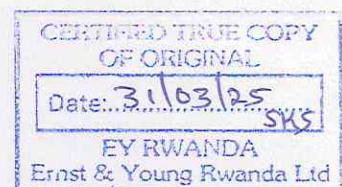
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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4. Insurance and financial risk. (continued)  
 (I). Insurance risk (continued)  
 Claims development table

Gross undiscounted liabilities for incurred claims for 2024 - Bonds

Rwf'000	Before 2019	2019	2020	2021	2022	2023	2024	Total
<b>Accident Year</b>								
At end of accident year	2,234	18,467	5,836	-	26,520	21,600	37,691	112,348
One year later	2,234	18,467	6,561	878	26,520	54,815	-	-
Two years later	2,234	18,467	6,561	878	29,501	-	-	-
Three Years Later	2,234	18,467	6,561	878	-	-	-	-
Four Year Later	2,234	18,467	6,561	-	-	-	-	-
Five year later	2,234	18,467	-	-	-	-	-	-
Six Year Later	2,234	-	-	-	-	-	-	-
Gross estimates of the undiscounted amount of the claims	2,234	18,467	6,561	878	29,501	54,815	37,691	150,147
At end of accident year	2,234	10,168	5,836	-	26,520	21,600	37,691	66,358
One year later	2,234	10,168	6,561	878	26,520	54,815	-	-
Two years later	2,234	10,168	6,561	878	29,501	-	-	-
Three Years Later	2,234	10,168	6,561	878	-	-	-	-
Four Year Later	2,234	10,168	6,561	-	-	-	-	-
Five year later	2,234	10,168	-	-	-	-	-	-
Six Year Later	2,234	-	-	-	-	-	-	-
Cumulative payments to date	2,234	10,168	6,561	878	29,501	54,815	37,691	141,847
Gross undiscounted liabilities for incurred claims	-	8,299	-	-	-	-	-	8,299
Effect of discounting	-	-	-	-	-	-	-	363
Total gross liabilities for incurred claims	-	-	-	-	-	-	-	7,936

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims Relate to Guarantee	7,936	113	8,049



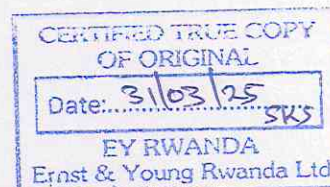
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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4. Insurance and financial risk. (continued)  
 (I). Insurance risk (continued)  
 Claims development table

Gross undiscounted liabilities for incurred claims for 2024 - Miscellaneous

Accident Year	Before 2019	2019	2020	2021	2022	2023	2024	Total
At end of accident year	29,472	-	-	7,240	418,228	616,463	1,083,332	2,154,735
One year later	31,622	-	393	70,340	516,376	868,195	-	-
Two years later	31,622	-	393	72,413	608,193	-	-	-
Three Years Later	31,622	-	393	72,413	-	-	-	-
Four Year Later	31,622	-	393	-	-	-	-	-
Five year later	31,622	-	-	-	-	-	-	-
Six Year Later	31,622	-	-	-	-	-	-	-
Gross estimates of the undiscounted amount of the claims	31,622	-	393	72,413	608,193	868,195	1,083,332	2,664,148
At end of accident year	21,487	-	-	7,200	335,215	504,220	710,660	868,121
One year later	31,622	-	393	67,305	473,417	801,113	-	-
Two years later	31,622	-	393	71,413	540,233	-	-	-
Three Years Later	31,622	-	393	71,418	-	-	-	-
Four Year Later	31,622	-	393	-	-	-	-	-
Five year later	31,622	-	-	-	-	-	-	-
Six Year Later	31,622	-	-	-	-	-	-	-
Cumulative payments to date	31,622	-	393	71,418	540,233	801,113	710,660	2,155,440
Gross undiscounted liabilities for incurred claims	-	-	-	995	67,960	67,082	372,673	508,710
Effect of discounting	-	-	-	-	-	-	-	25,349
Total gross liabilities for incurred claims	-	-	-	-	-	-	-	483,361

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims Relate to Miscellaneous	483,361	12,958	496,318



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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4. Insurance and financial risk. (continued)

II). Financial risk

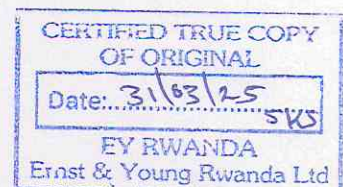
i). Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with insurance liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries. The following policies and procedures are in place to mitigate the Company's exposure to liquidity risk: IFRS 17.124(a),(b) The Company's liquidity risk policy sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment. The Company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow. The Company also has committed lines of credit that it can access to meet liquidity needs.

a) Maturity analysis for financial assets (contractual undiscounted cash flow basis)

The following table summarizes the maturity profile of financial assets of the Company based on remaining undiscounted contractual cash flows, including interest receivable:

		2024				
In Rwf'000		Up to 1 Year	1-3 Years	3-5 years	More than 5	Total
<b>Financials assets</b>						
Cash and bank balance		801,175	-	-	-	801,175
Term deposits		9,841,962	-	-	-	9,841,962
Debt instruments at amortized cost		2,715,339	1,528,800	2,389,626	4,951,237	11,585,002
<b>Total</b>		<b>13,358,476</b>	<b>1,528,800</b>	<b>2,389,626</b>	<b>4,951,237</b>	<b>22,228,139</b>
		2023				
In Rwf'000		Up to 1 Year	1-3 Years	3-5 years	More than 5	Total
<b>Financials assets</b>						
Cash and bank balance		224,940	-	-	-	224,940
Term deposits		8,188,298	-	-	-	8,188,298
Debt instruments at amortized cost		2,936,179	3,476,176	1,520,716	4,514,933	12,448,004
<b>Total</b>		<b>11,349,417</b>	<b>3,476,176</b>	<b>1,520,716</b>	<b>4,514,933</b>	<b>20,861,242</b>



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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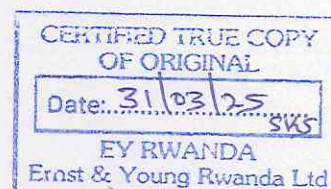
4. Insurance and financial risk. (continued)  
 II). Financial risk (continued)

b) Maturity analysis for financial liabilities (contractual undiscounted cash flow basis)

Financial Obligations

2024					
In Rwf'000	Up to 1 Year	1-3 Years	3-5 years	More than 5	Total
<b>Financials liabilities</b>					
Lease liabilities	186,000	242,741	-	-	428,741
Other payables	1,208,439	796,634	-	-	2,005,073
Income tax payable	227,432	-	-	-	227,432
<b>Total</b>	<b>1,621,871</b>	<b>1,039,375</b>	<b>-</b>	<b>-</b>	<b>2,661,246</b>

2023					
In Rwf'000	Up to 1 Year	1-3 Years	3-5 years	More than 5	Total
<b>Financials liabilities</b>					
Lease liabilities	186,000	341,660	-	-	527,660
Other payables	1,167,210	1,102,431	-	-	2,269,641
Income tax payable	52,089	-	-	-	52,089
<b>Total</b>	<b>1,405,299</b>	<b>1,444,091</b>	<b>-</b>	<b>-</b>	<b>2,849,390</b>



4. Insurance and financial risk. (continued)

II). Financial risk (Continued)

Maturity analysis for financial assets (contractual undiscounted cash flow basis)

Current and non-current assets and liabilities

The table below summarizes the expected utilization or settlement of assets and liabilities:

	2024			2023		
	Not more than 12 months	More than 12 Months	Total	Not more than 12 months	More than 12 Months	Total
<b>Financial Assets</b>						
Cash and bank balance	801,175	-	801,175	224,940	-	224,940
Term deposits	9,841,962	-	9,841,962	8,188,298	-	8,188,298
Debt instruments at amortized cost	2,715,339	8,869,663	11,585,002	2,936,179	9,511,825	12,448,004
<b>Total financial assets</b>	<b>13,358,476</b>	<b>8,869,663</b>	<b>22,228,139</b>	<b>11,349,417</b>	<b>9,511,825</b>	<b>20,861,242</b>
<b>Insurance contract Assets</b>						
Insurance Issued	467,903	-	467,903	398,548	-	398,548
Reinsurance held	2,857,410	-	2,857,410	2,515,513	-	2,515,513
<b>Total Insurance contract Assets</b>	<b>3,325,313</b>	<b>-</b>	<b>3,325,313</b>	<b>2,914,061</b>	<b>-</b>	<b>2,914,061</b>
<b>Insurance Contract Liability</b>						
Insurance Issued	3,496,113	-	3,496,113	6,284,675	-	6,284,675
Reinsurance held	1,656,810	-	1,656,810	1,026,489	-	1,026,489
<b>Total Insurance contracts Liabilities</b>	<b>5,152,924</b>	<b>-</b>	<b>5,152,924</b>	<b>7,311,164</b>	<b>-</b>	<b>7,311,164</b>

ii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument, insurance contract issued or reinsurance contract held will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk); market interest rates (interest rate risk); and market prices (price risk). The Company's market risk policy sets out the assessment and determination of what constitutes market risk for it. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

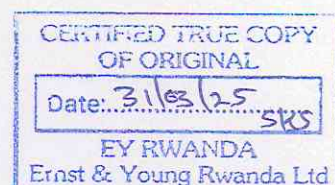
Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains needed to meet the Company's contractual requirements.

The nature of the Company's exposure to market risks and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

iii) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument, insurance contract assets and/or liabilities will fluctuate because of changes in foreign exchange rates.

The Company's principal transactions are carried out in Rwandan Francs and its exposure to foreign exchange risk arises primarily with respect to the US dollar. The Company's financial assets are primarily denominated in the same currencies as its insurance contract liabilities.



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4. Insurance and financial risk. (continued)

II). Financial risk (continued)

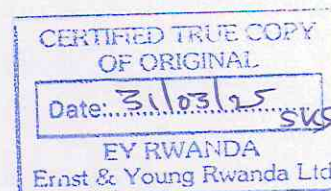
iii) Currency risk (continued)

The Company mitigates some of the foreign currency risk associated with insurance contracts by holding reinsurance contracts denominated in the same currencies as its insurance contract liabilities. Based on the time series of Rwanda exchange rate from past five years, we assumed that the exchange rate can be changed upward or downward at the level of 5%. The table below indicates the currency sensitivity analysis:

Rwf '000	2024		2023		
	Change in exchange rate	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Insurance and reinsurance contracts	5%				
Financial assets	5%	12,405	8,931	2,566	1,847
Insurance and reinsurance contracts	-5%				
Financial assets	-5%	(12,405)	(8,931)	(2,566)	(1,847)

The tables below summarize the company's financial assets and insurance contract assets and liabilities by major currencies:

Rwf'000	2024	2023
	US Dollar	US Dollar
<b>Financial assets</b>		
Cash and Cash equivalents	248,090	51,318
Debt instruments at amortized cost	693,337	-
<b>Total</b>	<b>941,427</b>	<b>51,318</b>
<b>Insurance contract liabilities</b>		
Accident	5,109	2,646
Motor	377,267	189,798
Engineering	290,361	214,255
Property	435,876	198,277
Transportation	13,522	4,337
Guarantee	43,936	32,783
Liability	52,699	27,611
Miscellaneous	353,441	84,580
<b>Total</b>	<b>1,572,211</b>	<b>754,287</b>



4. Insurance and financial risk. (continued)

II). Financial risk (Continued)

iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument or insurance contract or reinsurance contract will fluctuate because of changes in market interest rates. Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest rate risk. There is no direct contractual relationship between financial assets and insurance contracts. However, the Company's interest rate risk policy requires it to manage the extent of net interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments to support the insurance contract liabilities. The policy also requires it to manage the maturities of interest-bearing financial assets.

The Company has no significant concentration of interest rate risk. IFRS 17.127 IFRS 7.34(c) The Company is exposed to interest rate risk through its debt instruments held and in respect of liabilities or assets for incurred claims where cash flows are not expected to be settled within a year from when claims are incurred.

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity. The correlation of variables will have a significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables have been changed on an individual basis. It should be noted that movements in these variables are non-linear. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

The sensitivity analysis based its estimate from the floating interest rate over past five years and the estimate of central bank with a conclusion that the interest rate can neither increase by more than 5% nor decrease to 5% for next 12 months.

Rwf '000	Change in interest rate	2024		2023	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Insurance and reinsurance contracts	5%				
Debt instruments	5%	1,071,348	771,371	1,031,815	732,589
Insurance and reinsurance contracts	-5%				
Debt instruments	-5%	(1,071,348)	(771,371)	(1,031,815)	(732,589)

**4. Insurance and financial risk. (continued)**

**II). Financial risk (Continued)**

**v) Price risk**

Price risk is the risk that the fair value or future cash flows of financial instruments or insurance contract assets and/or liabilities will fluctuate because of changes in market prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or contract, or by factors affecting all similar contracts or financial instruments traded in the market. The Company's price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices. The Company does not issue any participating contracts. Therefore, there are no insurance or reinsurance contracts which are exposed to price risk.

The Company's price risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on individual and total equity instruments. The Company has no significant concentration of price risk.

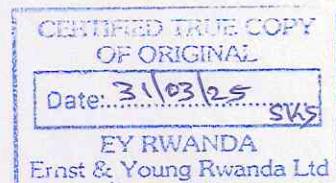
**vi). Operational risks**

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorization and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process

**vii). Credit risk**

Credit risk is the risk that one party to a financial instrument, insurance contract issued in an asset position or reinsurance contract held will cause a financial loss for the other party by failing to discharge an obligation. The following policies and procedures are in place to mitigate the Company's exposure to credit risk. The Company's credit risk policy sets out the assessment and determination of what constitutes credit risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment. Credit risk relating to financial instruments is monitored by the Company's investment team. It is their responsibility to review and manage credit risk, including environmental risk for all counterparties. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

It is the Company's policy to invest in high quality financial instruments with a low risk of default. If there is a significant increase in credit risk, the policy dictates that the instrument should be sold and amounts recovered reinvested in high quality instruments. Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy. The credit risk in respect of customer balances incurred on non-payment of premiums will only persist during the grace period specified in the policy document. Commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of default. The nature of the Company's exposure to credit risk and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.



4. Insurance and financial risk. (continued)  
 II). Financial risk (Continued)

Credit exposure

The table below provides information regarding the credit risk exposure of the Company by classifying Very good+ as the highest possible rating. Assets that fall outside the range of Very good to Good are classified as High grade. The amounts represent the maximum amount exposure to credit risk. The credit risk analysis below is presented in line with how the Company manages the risk.

The Company manages its credit exposure based on the carrying value of the financial instruments and insurance and reinsurance contract assets.

2024					
In Rwf'000	Financial service	Government	Retails	Construction	Total
<b>Financials assets</b>					
Cash and bank balance	801,175	-	-	-	801,175
Term deposits	9,841,962	-	-	-	9,841,962
Debt instruments at amortized cost	9,360,133	-	1,104,795	1,120,074	11,585,002
Insurance contract asset	-	-	467,903	-	467,903
Reinsurance contract asset	2,857,410	-	-	-	2,857,410
<b>Total</b>	<b>22,860,680</b>	<b>-</b>	<b>1,572,698</b>	<b>1,120,074</b>	<b>25,553,452</b>
2023					
In Rwf'000	Financial service	Government	Retails	Construction	Total
<b>Financials assets</b>					
Cash and bank balance	224,940	-	-	-	224,940
Term deposits	8,188,298	-	-	-	8,188,298
Debt instruments at amortized cost	-	10,223,135	1,104,795	1,120,074	12,448,004
Insurance contract asset	-	-	398,548	-	398,548
Reinsurance contract asset	2,515,513	-	-	-	2,515,513
<b>Total</b>	<b>10,928,751</b>	<b>10,223,135</b>	<b>1,503,343</b>	<b>1,120,074</b>	<b>23,775,303</b>

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 NOTES TO THE FINANCIAL STATEMENTS  
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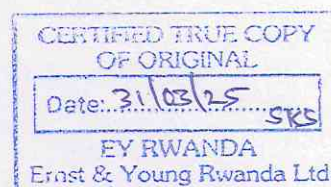
4. Insurance and financial risk. (continued)

Credit exposure (Continued).

Credit exposure by credit rating

The table below provides information regarding the credit risk exposure of the Company by classifying assets according to the Company's credit ratings of counterparties:

2024						
In Rwf'000	Very Good	High grade	Past due but not impaired	Not Rated	Total	
Financials assets						
Cash and bank balance	801,175	-	-	-		801,175
Term deposits	9,841,962	-	-	-		9,841,962
Debt instruments at amortized cost	9,360,133	-	-	2,224,869		11,585,002
Insurance Contract asset	-	-	-	467,903		467,903
Reinsurance contract asset	-	2,857,410	-	-		2,857,410
Other receivables	-	-	-	543,511		543,511
<b>Total</b>	<b>20,003,270</b>	<b>2,857,410</b>	<b>-</b>	<b>3,236,283</b>		<b>26,096,963</b>
Check cast						
2023						
In Rwf'000	Very Good	High grade	Past due but not impaired	Not Rated	Total	
Financials assets						
Cash and bank balance	224,940	-	-	-		224,940
Term deposits	8,188,298	-	-	-		8,188,298
Debt instruments at amortized cost	10,223,135	2,224,869	-	-		12,448,004
Insurance Contract asset	-	-	-	398,548		398,548
Reinsurance contract asset	-	2,515,513	-	-		2,515,513
Other receivables	-	-	-	501,660		501,660
<b>Total</b>	<b>18,636,373</b>	<b>4,740,382</b>	<b>-</b>	<b>900,208</b>		<b>24,276,963</b>



4. Financial risk (Continued).

e). Impairment assessment (Continued).

The Company's ECL assessment and measurement method is set out below.

i). Significant increase in credit risk, default, and cure

The Company continuously monitors all assets subject to ECLs. To determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition.

The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 90 days past due. In addition, the Company also considers a variety of instances that may indicate unlikelihood to pay by assessing whether there has been a significant increase in credit risk. Such events include:

- Internal rating of the counterparty indicating default or near-default
- The counterparty having past due liabilities to public creditors or employees.
- The counterparty (or any legal entity within the debtor's group) filing for bankruptcy application/protection.
- Counterparty's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties.

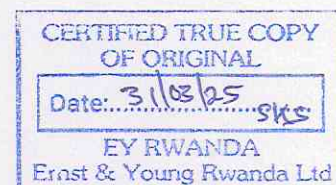
The Company considers a financial instrument defaulted and, therefore, credit impaired for ECL calculations in all cases when the counterparty becomes 90 days past due on its contractual payments and that there is no indication that there shall be a possibility of recovery. The Company may also consider an instrument to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. In such cases, the Company recognizes a lifetime ECL. In rare cases when an instrument identified as defaulted, it is the Company's policy to consider a financial instrument as 'cured' and, therefore, re-classified out of credit-impaired when none of the default criteria have been present for at least twelve consecutive months.

Except for premium receivables, other financial instruments do not have significant increase in credit risk or default for financial assets during the year.

ii). Expected credit loss

The Company assesses the possible default events within 12 months for the calculation of the 12mECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal and the expected loss given default ratio assumed to be 100%. In rare cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

The table below indicated the ECL financial assets:



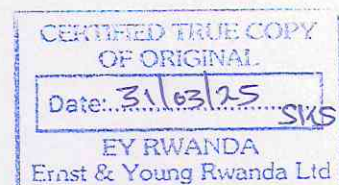
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 NOTES TO THE FINANCIAL STATEMENTS  
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4. Financial risk (Continued).

e). Impairment assessment (Continued).

ii). Expected credit loss.

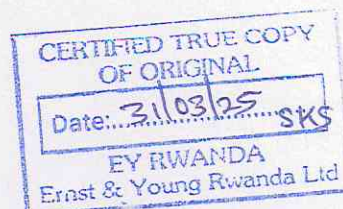
Class	2024					
	Cost	Interest accrued	Impairment Cost	Impairment interest accrued	Impairment Total	Impairment Movement
Government Bond	9,038,803	303,788	45,194	1,519	46,713	(4,932)
Commercial Paper	1,120,074	98,633	22,838	2,011	24,850	2,453
Corporate Bond	1,000,000	105,479	9,240	975	10,214	6
<b>Total</b>	<b>11,158,878</b>	<b>507,901</b>	<b>77,272</b>	<b>4,505</b>	<b>81,777</b>	<b>(2,473)</b>
					-	-
Term Deposit	7,100,000	474,620	35,500	2,373	37,873	10,805
Term Deposit	2,200,000	105,907	660	32	692	(149)
<b>Total</b>	<b>9,300,000</b>	<b>580,527</b>	<b>36,160</b>	<b>2,405</b>	<b>38,565</b>	<b>10,656</b>
					-	-
Bank Balance	554,909	-	2,775	-	2,775	2,166
Bank Balance	249,115	-	75	-	75	46
<b>Total</b>	<b>804,024</b>	<b>-</b>	<b>2,850</b>	<b>-</b>	<b>2,850</b>	<b>2,212</b>
Insurance premium receivables	8,846,172	-	409,603	-	409,603	223,190
<b>Total</b>	<b>8,846,172</b>	<b>-</b>	<b>409,603</b>	<b>-</b>	<b>409,603</b>	<b>223,190</b>
<b>Grand Total</b>	<b>30,109,073</b>	<b>1,088,427</b>	<b>525,884</b>	<b>6,910</b>	<b>532,794</b>	<b>233,585</b>



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 NOTES TO THE FINANCIAL STATEMENTS  
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4. Financial risk (Continued).  
 e). Impairment assessment (Continued).  
 ii). Expected credit loss.

Class	Cost	Interest accrued	2023		Impairment Total	Impairment Movement
			Impairment Cost	Impairment interest accrued		
Government Bond	10,027,391	301,653	50,137	1,508	51,645	6,209
Commercial Paper	1,120,074	(21,658)	22,838	(442)	22,397	16,848
Corporate Bond	1,000,000	104,795	9,240	968	10,208	-
<b>Total</b>	<b>12,147,466</b>	<b>384,789</b>	<b>82,215</b>	<b>2,034</b>	<b>84,250</b>	<b>23,057</b>
Term Deposit	5,100,000	313,569	25,500	1,568	27,068	4,007
Term Deposit	2,700,000	102,637	810	31	841	438
<b>Total</b>	<b>7,800,000</b>	<b>416,206</b>	<b>26,310</b>	<b>1,599</b>	<b>27,909</b>	<b>4,445</b>
Bank Balance	121,662	-	608	-	608	(170)
Bank Balance	103,915	-	29	-	29	(1)
<b>Total</b>	<b>225,577</b>	<b>-</b>	<b>637</b>	<b>-</b>	<b>637</b>	<b>(171)</b>
Insurance premium receivables	5,297,958		186,413		186,413	118,755
<b>Total</b>	<b>5,297,958</b>		<b>186,413</b>		<b>186,413</b>	<b>118,755</b>
<b>Grand Total</b>	<b>25,471,001</b>	<b>800,995</b>	<b>295,575</b>	<b>3,634</b>	<b>299,209</b>	<b>146,087</b>

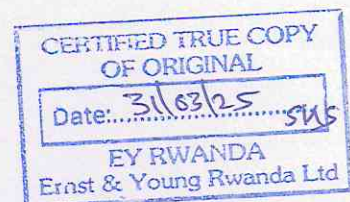


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NOTES TO THE FINANCIAL STATEMENTS  
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4. Financial risk (Continued).  
e). Impairment assessment (Continued).  
ii). Expected credit loss (continued)

The following tables show reconciliations from the opening balance to the closing balance of the loss allowance by class of financial instrument.

In Rwf '000'	2024 Expected Credit Loss	2023 Expected Credit Loss
<b>Government bond</b>		
Opening Balance	51,645	45,436
Net remeasurement of loss allowance	(4,932)	6,209
New financial assets acquired		
Financial assets derecognised		
<b>Balance at 31 December</b>	<b>46,713</b>	<b>51,645</b>
<b>Commercial paper</b>		
Opening Balance	22,397	5,549
Net remeasurement of loss allowance	2,453	16,848
New financial assets acquired		
Financial assets derecognised		
<b>Balance at 31 December</b>	<b>24,850</b>	<b>22,397</b>
<b>Corporate bond</b>		
Opening Balance	10,208	10,208
Net remeasurement of loss allowance	6	-
New financial assets acquired		
Financial assets derecognised		
<b>Balance at 31 December</b>	<b>10,214</b>	<b>10,208</b>
<b>Term deposit</b>		
Opening Balance	27,909	23,463
Net remeasurement of loss allowance	10,656	4,446
New financial assets acquired		
Financial assets derecognised		
<b>Balance at 31 December</b>	<b>38,565</b>	<b>27,909</b>
<b>Bank balance</b>		
Opening Balance	636	808
Net remeasurement of loss allowance	2,213	(172)
New financial assets acquired		
Financial assets derecognised		
<b>Balance at 31 December</b>	<b>2,849</b>	<b>637</b>
<b>Premium Debtors</b>		
Opening Balance	186,413	67,658
Net remeasurement of loss allowance	223,190	118,755
New financial assets acquired	-	-
Financial assets derecognized	-	-
<b>Balance at 31 December</b>	<b>409,603</b>	<b>186,413</b>



4. Financial risk (Continued).

e). Impairment assessment (Continued).

iii). Impairment losses on financial assets (continued)

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition.

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios, and the relevant inputs used.

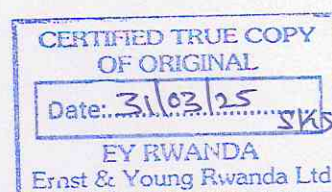
The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 365 days past due. In addition, the Company also considers a variety of instances that may indicate unlikelihood to pay by assessing whether there has been a significant increase in credit risk. Such events include:

- Internal rating of the counterparty indicating default or near-default
- The counterparty having past due liabilities to public creditors or employees
- The counterparty (or any legal entity within the debtor's group) filing for bankruptcy application/protection
- Counterparty's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 360 days past due with no commitment by the party.

Impairment losses are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables for which an impairment provision was recognized were written off against the provision when there was no expectation of recovering additional cash. The probability of the default on the premium receivable as at 31 December 2024 was at 4.6% of the total premium receivables. This has been arrived by using simplified method whereby a provision matrix has been made based on the past and forward information. The premium receivables have been put in the bucket from 30 days to a last bucket of 365 days and categorized as government, corporate and individual. Individual scored an ECL of 100% and Corporate and ECL of 20%. Based on the forward information and commitment, government category score almost 0% of ECL.



4. Financial risk (Continued).
- e). Impairment assessment (Continued).
- iii). Impairment losses on financial assets (continued)

All of the entity's debt investments at amortized cost are considered to have low credit risk as most of them are held with the government, and the loss allowance recognized during the period was therefore limited to 12 months expected losses. Management considers 'low credit risk' for government bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

*Deposits with financial institutions, cash at bank, government securities*

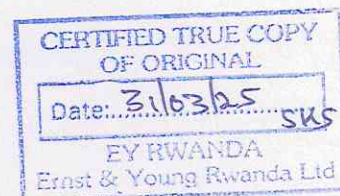
Deposits with financial institutions, cash at bank and government securities are considered to have low credit risk, and the loss allowance recognized during the period was therefore limited to 12 months' expected losses. Management considers 'low credit risk' for these financial assets as they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The loss rate assigned to these has been determined to be 0.27% for deposits with financial institutions and cash at bank which is the probability of default assigned to a B+ investment grade by Standard & Poors Rating Agency. The loss rate assigned to government securities has been determined to be 0.50% which is the probability of default assigned to a B+ sovereign grade by Standard & Poors Rating Agency.

5. Capital management objectives, Policies, and Approach

The Company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- To maintain the required level of stability of the Company thereby providing a degree of security to policyholders
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- To align the profile of assets and liabilities, taking account of risks inherent in the business
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders.
- To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value

The Company is also subject to regulatory requirements within Rwanda. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g., capital adequacy) to minimize the risk of default and insolvency on the part of the insurance companies to meet unforeseeable liabilities as they arise.



- 4. Financial risk (Continued).
- e). Impairment assessment (Continued).
- iii). Impairment losses on financial assets (continued)

In reporting financial strength, capital and solvency are measured using the rules prescribed by the The National Bank of Rwanda (BNR). These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written.

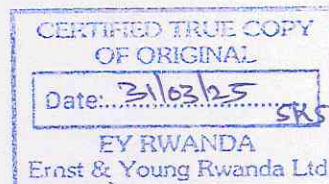
The Company met all these requirements throughout the financial year. The solvency ratios have been presented in the supplementary information.

**Approach to capital management**

The Company seeks to optimize the structure and sources of capital to ensure that it consistently maximizes returns to the shareholders. The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Company in the light of changes in economic conditions and risk characteristics. An important aspect of the Company's overall capital management process is the setting of target risk adjusted rates of return, which are aligned to performance objectives and ensure that the Company is focused on the creation of value for shareholders.

Below is the solvency margin status as at 31 December which is the key indicator of company capital adequacy:

	2024	2023
Solvency Margin Required	2,184,605	1,462,450
Admitted Assets	24,971,643	23,866,800
Admitted Liabilities	(17,662,028)	(16,524,123)
Solvency Margin Available	7,309,615	7,342,677
Excess on Solvency Required	5,125,009	5,880,226
<b>Solvency Ratio</b>	<b>334.6%</b>	<b>502.1%</b>



## 6. Significant judgements and estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company disaggregates information to disclose major product lines namely, marine, property, personal accident insurance and liability reinsurance issued. This disaggregation has been determined based on how the Company is managed.

### i). Insurance and reinsurance contracts

The Company applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

### ii). Liability for remaining coverage

#### Insurance acquisition cash flows

BKGI has adopted both approaches depending on the nature of group contracts.

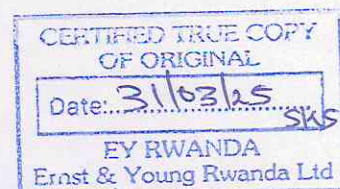
For a one-year business, acquisition cashflow is expensed as incurred, or allocated using a systematic basis and rational method to group of insurance contracts.

For all other businesses longer than one year, such as engineering and guarantee, insurance acquisition cashflow are amortized over the coverage period of the related group.

The asset for insurance acquisition cashflow is derecognized when the contractual rights are extinguished or expire or when the contract is transferred to another party.

### iii). Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bereuter-Ferguson methods. The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years, but can also be further analyzed by geographical area, as well as by significant business lines and claim types.



6. Significant judgements and estimates (continued)

iii). Liability for incurred claims (continued)

Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims' development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Some of the insurance contracts that have been written in the property line of business permit the Company to sell property acquired in settling a claim. The Company also has the right to pursue third parties for payment of some or all costs. Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs. Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates. The subrogation is recognized as receivable after the related claims has been paid and the counterparty insurer is in agreement with the notified amount.

v). Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid AAA-rated sovereign securities in the currency of the insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates. Discount rates applied for discounting of future cash flows are listed below:

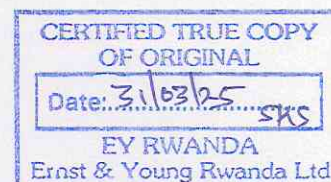
Years	1	2	3	4	5	6	7	8	9	10
Yield	8.295	9.798	11.300	11.575	11.850	11.900	11.950	12.290	12.630	12.970

Source: National Bank of Rwanda (BNR)

vi). Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Company has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, the Company has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Company has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.



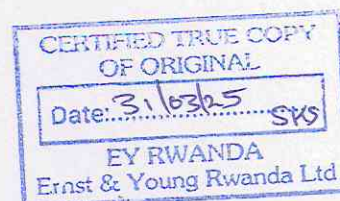
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
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7. Insurance and reinsurance contracts

The breakdown of groups of insurance contracts issued, that are in an asset position and those in a liability position is set out in the table below:

7.1 Re-insurance contract assets

Rwf'000	2024			2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Reinsurance contract issued						
Accident	8,811	(5,109)	3,702	6,485	(2,646)	3,839
Motor	650,652	(377,267)	273,385	710,179	(289,798)	420,381
Engineering	500,769	(290,361)	210,408	701,989	(286,456)	415,533
Property	751,732	(435,876)	315,856	485,898	(198,277)	287,621
Transportation	23,320	(13,522)	9,798	10,628	(4,337)	6,291
Guarantee	75,774	(43,936)	31,838	80,338	(32,783)	47,555
Liability	90,887	(52,699)	38,188	67,664	(27,611)	40,053
Miscellaneous	755,464	(438,040)	317,424	452,332	(184,580)	267,752
Total Reinsurance contracts issued	2,857,409	(1,656,810)	1,200,600	2,515,513	(1,026,488)	1,489,025



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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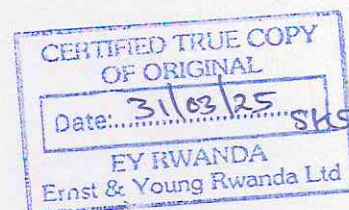
7.2 Insurance contract liabilities

Rwf'000	2024			2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Insurance contract issued						
Accident	2,309	83,872	81,563	2,509	91,898	89,389
Motor	188,947	1,138,828	949,881	210,930	4,765,092	4,554,163
Engineering	53,554	662,122	608,568	66,957	823,251	756,294
Property	102,164	828,609	726,445	57,569	534,184	476,615
Transportation	1,679	6,443	4,764	2,204	4,880	2,676
Guarantee	17,834	134,114	116,280	2,947	163,155	160,207
Liability	1,893	90,505	88,612	2,599	128,796	126,196
Miscellaneous	99,522	551,621	452,099	52,833	(226,580)	(279,412)
<b>Total insurance contracts issued</b>	<b>467,903</b>	<b>3,496,110</b>	<b>3,028,212</b>	<b>398,548</b>	<b>6,284,675</b>	<b>5,886,127</b>

7.3. Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately:

- Motor
- Property
- Engineering
- Transportation/Marine
- Guarantee
- Accident
- Liability, and
- Miscellaneous
- This disaggregation has been determined based on how the company is managed.



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)

7.3. Roll forward of liability of insurance contract

7.3.1. Motor

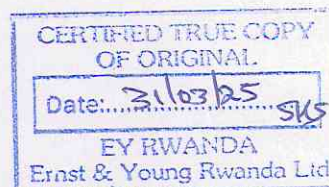
Liability for insurance contracts-Motor 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Motor Product year end 2024, is disclosed in the table below. The short forms in the table are the following:

- Lfrc = Liability for remaining Coverage
- Lfrc Be = Liability for Incurred Claims Best estimate
- Lfrc Ra = Liability for incurred claims Risk Adjustment

7.3.1. Motor insurance-Liability for insurance contracts 2024

Name	Lfrc Ra	Lfrc Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	236,503	3,493,735	963,183	71,673	4,578,681
Insurance Contract Assets Bop	-	-	(210,930)	-	(210,930)
Net Balance Bop	236,503	3,493,735	752,253	71,673	4,367,751
Insurance Revenue	-	-	(9,216,953)	-	(9,216,953)
	(161,85)				3)
Insurance Service Expense	8)	4,815,561	570,910	(71,673)	5,152,940
Incurred Claims	-	4,077,019	-	-	4,077,019
Directly Attributable Expenses	-	738,542	-	-	738,542
	(161,85)				
Adjustment To Liabilities For Incurred Claims Losses On Onerous Contracts And Reversal Of Those Losses	8)	-	-	-	(161,858)
Acquisition Cash Flows Amortization	-	-	-	(71,673)	(71,673)
	(161,85)		570,910	-	570,910
Insurance Service Result	8)	4,815,561	(8,646,043)	(71,673)	(4,064,013)
Insurance Finance Expense Total Therefore Recognized In Pnl	-	(42,790)	-	-	(42,790)
	-	(42,790)	-	-	(42,790)
		(4,605,30)			
Cash Flows	-	7)	5,107,827	-	502,521
Premiums Received	-	-	5,656,755	-	5,656,755
Claims Excl Non Distinct Investment Component Paid	-	(3,866,76)	-	-	(3,866,76)
Directly Attributable Expenses Paid	-	4)	-	-	4)
Insurance Acquisition Cash Flows	-	(738,542)	-	-	(738,542)
Insurance Contract Liabilities	74,644	3,661,199	(2,597,015)	-	1,138,828
Insurance Contract Assets	-	-	(188,947)	-	(188,947)
Net Balance	74,644	3,661,199	(2,785,962)	-	949,881



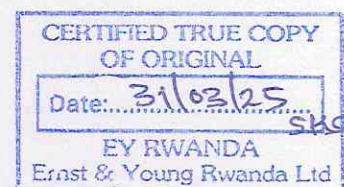
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
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7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.1. Motor(continued)

Liability for insurance contracts-Motor 2023

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Motor Product year end 2023, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	185,487	2,727,502	734,918	3	3,647,910
Insurance Contract Assets Bop	-	-	(164,183)	-	(164,183)
Net Balance Bop	185,487	2,727,502	570,735	3	3,483,727
Insurance Revenue	-	-	(7,881,938)	-	(7,881,938)
Insurance Service Expense	51,016	4,549,827	446,517	71,670	5,119,030
Incurred Claims	-	4,083,020	-	-	4,083,020
Directly Attributable Expenses	-	466,807	-	-	466,807
Adjustment To Liabilities For Incurred Claims Losses On Onerous Contracts And Reversal Of Those Losses	51,016	-	-	-	51,016
Acquisition Cash Flows Amortization	-	-	-	71,670	71,670
Insurance Service Result	-	-	446,517	-	446,517
Insurance Service Result	51,016	4,549,827	(7,435,421)	71,670	(2,762,908)
Insurance Finance Expense Total	-	(9,343)	-	-	(9,343)
Therefore Recognized In Pnl	-	(9,343)	-	-	(9,343)
Cash Flows	-	(3,774,252)	7,616,939	-	3,842,687
Premiums Received	-	-	8,110,203	-	8,110,203
Claims Excl Non Distinct Investment Component Paid	-	(3,307,445)	-	-	(3,307,445)
Directly Attributable Expenses Paid	-	(466,807)	-	-	(466,807)
Insurance Acquisition Cash Flows	-	-	(493,264)	-	(493,264)
Insurance Contract Liabilities	236,503	3,493,734	963,183	71,673	4,765,092
Insurance Contract Assets	-	-	(210,930)	-	(210,930)
Net Balance	236,503	3,493,734	752,253	71,673	4,554,163



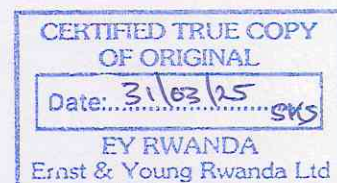
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract  
7.3.2. Property

Liability for insurance contracts-Property 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Property year end 2024, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	5,446	132,798	395,940	-	534,184
Insurance Contract Assets Bop	-	-	(57,569)	-	(57,569)
Net Balance Bop	5,446	132,798	338,371	-	476,615
Insurance Revenue	-	-	(1,974,806)	-	(1,974,806)
Insurance Service Expense	37,501	352,992	112,277	-	502,770
Incurred Claims	-	256,727	-	-	256,727
Directly Attributable Expenses	-	96,265	-	-	96,265
Adjustment To Liabilities For Incurred Claims	37,501	-	-	-	37,501
Acquisition Cash Flows Amortization	-	-	112,277	-	112,277
Insurance Service Result	37,501	352,992	(1,862,529)	-	(1,472,036)
Insurance Finance Expense Total	-	(34,131)	-	-	(34,131)
Therefore Recognized In Pnl	-	(34,131)	-	-	(34,131)
Therefore Recognized In Oci	-	-	-	-	-
Cash Flows	-	(166,385)	1,922,382	-	1,755,997
Premiums Received	-	-	2,079,253	-	2,079,253
Claims Excl Non Distinct Investment Component Paid	-	(70,121)	-	-	(70,121)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(96,265)	-	-	(96,265)
Insurance Acquisition Cash Flows	-	-	(156,872)	-	(156,872)
Insurance Contract Liabilities	42,947	285,274	500,387	-	828,609
Insurance Contract Assets	-	-	(102,164)	-	(102,164)
Net Balance	42,947	285,274	398,223	-	726,444



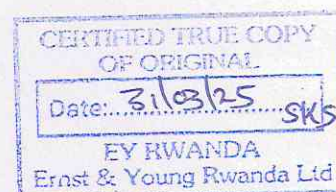
BK GENERAL INSURANCE COMPANY LIMITED  
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7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.2. Property (Continued)

Liability for insurance contracts-Property 2023

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Property year end 2023, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	4,252	62,642	98,544	-	165,438
Insurance Contract Assets Bop	-	-	(44,098)	-	(44,098)
Net Balance Bop	4,252	62,642	54,446	-	121,340
Insurance Revenue	-	-	(1,601,995)	-	(1,601,995)
Insurance Service Expense	1,194	238,859	98,694	-	338,747
Incurred Claims	-	134,133	-	-	134,133
Directly Attributable Expenses	-	104,727	-	-	104,727
Adjustment To Liabilities For Incurred Claims	1,194	-	-	-	1,194
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	-	-
Acquisition Cash Flows Amortization	-	-	98,694	-	98,694
Insurance Service Result	1,194	238,859	(1,503,301)	-	(1,263,247)
Insurance Finance Expense Total	-	2,596	-	-	2,596
Therefore Recognized In Pnl	-	2,596	-	-	2,596
Cash Flows	-	(171,299)	1,787,226	-	1,615,927
Premiums Received	-	-	1,899,391	-	1,899,391
Claims Excl Non Distinct Investment Component Paid	-	(66,572)	-	-	(66,572)
Directly Attributable Expenses Paid	-	(104,727)	-	-	(104,727)
Insurance Acquisition Cash Flows	-	-	(112,165)	-	(112,165)
Insurance Contract Liabilities	5,446	132,798	395,940	-	534,184
Insurance Contract Assets	-	-	(57,569)	-	(57,569)
Net Balance	5,446	132,798	338,371	-	476,615



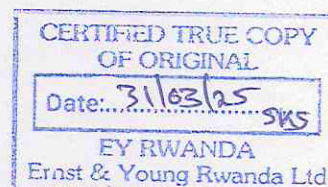
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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7. Insurance and reinsurance contracts (Continued)  
 7.3. Roll forward of liability of insurance contract (Continued)  
 7.3.3. Engineering

Liability for insurance contract-Engineering 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Engineering product line for year-end 2024, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	10,339	180,193	583,731	48,988	823,251
Insurance Contract Assets Bop	-	-	(66,957)	-	(66,957)
Net Balance Bop	10,339	180,193	516,774	48,988	756,294
Insurance Revenue	-	-	(862,612)	-	(862,612)
Insurance Service Expense	(3,404)	152,235	31,200	(48,988)	131,043
Incurred Claims	-	114,781	-	-	114,781
Directly Attributable Expenses	-	37,455	-	-	37,455
Adjustment To Liabilities For Incurred Claims	(3,404)	-	-	-	(3,404)
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	(48,988)	(48,988)
Acquisition Cash Flows Amortization	-	-	31,200	-	31,200
Insurance Service Result	(3,404)	152,235	(831,412)	(48,988)	(731,569)
Insurance Finance Expense Total	-	7,405	-	-	7,405
Therefore Recognized In Pnl	-	7,405	-	-	7,405
Cash Flows	-	(228,591)	805,029	-	576,437
Premiums Received	-	-	822,826	-	822,826
Claims Excl Non Distinct Investment Component Paid	-	(191,137)	-	-	(191,137)
Directly Attributable Expenses Paid	-	(37,455)	-	-	(37,455)
Insurance Acquisition Cash Flows	-	-	(17,797)	-	(17,797)
Insurance Contract Liabilities	6,935	111,241	543,945	-	662,122
Insurance Contract Assets	-	-	(53,554)	-	(53,554)
Net Balance	6,935	111,241	490,391	-	608,568



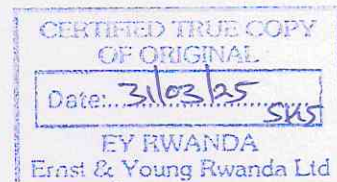
BK GENERAL INSURANCE COMPANY LIMITED  
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7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.3. Engineering (continued)

Liability for insurance contracts-Engineering 2023

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Engineering year end 2023, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	14,102	207,771	167,716	-	389,589
Insurance Contract Assets Bop	-	-	(7,849)	-	(7,849)
Net Balance Bop	14,102	207,771	159,868	-	381,740
Insurance Revenue	-	-	(652,667)	-	(652,667)
Insurance Service Expense	(3,763)	231,597	37,508	48,988	314,331
Incurred Claims	-	173,821	-	-	173,821
Directly Attributable Expenses	-	57,776	-	-	57,776
Adjustment To Liabilities For Incurred Claims	(3,763)	-	-	-	(3,763)
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	48,988	48,988
Acquisition Cash Flows Amortization	-	-	37,508	-	37,508
Insurance Service Result	(3,763)	231,597	(615,159)	48,988	(338,336)
Insurance Finance Expense Total	-	8,853	-	-	8,853
Therefore Recognized In Pnl	-	8,853	-	-	8,853
Cash Flows	-	(268,029)	972,066	-	704,037
Premiums Received	-	-	1,068,682	-	1,068,682
Claims Excl Non Distinct Investment Component Paid	-	(210,252)	-	-	(210,252)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(57,776)	-	-	(57,776)
Insurance Acquisition Cash Flows	-	-	(96,616)	-	(96,616)
Insurance Contract Liabilities	10,339	180,193	583,731	48,988	823,251
Insurance Contract Assets	-	-	(66,957)	-	(66,957)
Net Balance	10,339	180,193	516,774	48,988	756,294



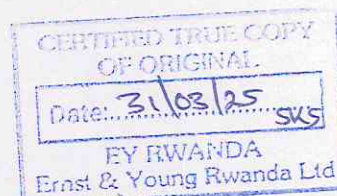
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7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.4. Liability

Liability for insurance contracts-Liability 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Liability product line for year-end 2024, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	2,905	33,354	61,945	30,591	128,795
Insurance Contract Assets Bop	-	-	(2,599)	-	(2,599)
Net Balance Bop	2,905	33,354	59,346	30,591	126,196
Insurance Revenue	-	-	(401,581)	-	(401,581)
Insurance Service Expense	(2,106)	16,622	5,892	(30,591)	(10,183)
Incurred Claims	-	969	-	-	969
Directly Attributable Expenses	-	15,654	-	-	15,654
Adjustment To Liabilities For Incurred Claims	(2,106)	-	-	-	(2,106)
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	(30,591)	(30,591)
Acquisition Cash Flows Amortization	-	-	5,892	-	5,892
Insurance Service Result	(2,106)	16,622	(395,689)	(30,591)	(411,764)
Insurance Finance Expense	-	5,220	-	-	5,220
Total	-	5,220	-	-	5,220
Therefore Recognized In Pnl	-	-	-	-	-
Therefore Recognized In Oci	-	-	-	-	-
Total Amounts Recognised In Comprehensive Income	-	-	-	-	-
Investment Components	-	-	-	-	-
Other Changes	-	-	-	-	-
Cash Flows	-	(36,614)	405,574	-	368,960
Premiums Received	-	-	410,760	-	410,760
Claims Excl Non Distinct	-	(20,961)	-	-	(20,961)
Investment Component Paid	-	-	-	-	-
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(15,654)	-	-	(15,654)
Insurance Acquisition Cash Flows	-	-	(5,186)	-	(5,186)
Insurance Contract Liabilities	799	18,581	71,125	-	90,505
Insurance Contract Assets	-	-	(1,893)	-	(1,893)
Net Balance	799	18,581	69,232	-	88,612



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7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.4. Liability (continued)

Liability for insurance contracts -Liability 2023

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Liability product year end 2023, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	1,322	19,475	42,679	-	63,476
Insurance Contract Assets Bop	-	-	(2,422)	-	(2,422)
Net Balance Bop	1,322	19,475	40,257	-	61,054
Insurance Revenue	-	-	(150,989)	-	(150,989)
Insurance Service Expense	1,583	45,447	4,530	30,591	82,151
Incurred Claims	-	36,196	-	-	36,196
Directly Attributable Expenses	-	9,251	-	-	9,251
Adjustment To Liabilities For Incurred Claims	1,583	-	-	-	1,583
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	30,591	30,591
Acquisition Cash Flows Amortization	-	-	4,530	-	4,530
Insurance Service Result	1,583	45,447	(146,458)	30,591	(68,837)
Insurance Finance Expense Total	-	(4,533)	-	-	(4,533)
Therefore Recognized In Pnl	-	(4,533)	-	-	(4,533)
Cash Flows	-	(27,035)	165,548	-	138,513
Premiums Received	-	-	170,255	-	170,255
Claims Excl Non Distinct Investment Component Paid	-	(17,784)	-	-	(17,784)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(9,251)	-	-	(9,251)
Insurance Acquisition Cash Flows	-	-	(4,708)	-	(4,708)
Insurance Contract Liabilities	2,905	33,354	61,945	30,591	128,796
Insurance Contract Assets	-	-	(2,599)	-	(2,599)
Net Balance	2,905	33,354	59,346	30,591	126,196



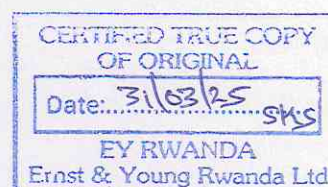
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.5. Accident

Liability for insurance contracts -Accident 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for accident insurance product line for year end 2024, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	3,495	51,822	30,993	5,587	91,898
Insurance Contract Assets Bop	-	-	(2,509)	-	(2,509)
Net Balance Bop	3,495	51,822	28,484	5,587	89,388
Insurance Revenue	-	-	(90,059)	-	(90,059)
Insurance Service Expense	(970)	6,098	7,631	(5,587)	7,172
Incurred Claims	-	(1,483)	-	-	(1,483)
Directly Attributable Expenses	-	7,581	-	-	7,581
Adjustment To Liabilities For Incurred Claims	(970)	-	-	-	(970)
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	(5,587)	(5,587)
Acquisition Cash Flows Amortization	-	-	7,631	-	7,631
Insurance Service Result	(970)	6,098	(82,428)	(5,587)	(82,887)
Insurance Finance Expense Total	-	1,931	-	-	1,931
Therefore Recognized In Pnl	-	1,931	-	-	1,931
Therefore Recognized In Oci	-	-	-	-	-
Total Amounts Recognised In Comprehensive Income	-	-	-	-	-
Investment Components	-	-	-	-	-
Other Changes	-	-	-	-	-
Cash Flows	-	(21,881)	95,011	-	73,130
Premiums Received	-	-	102,442	-	102,442
Claims Excl Non Distinct	-	(14,300)	-	-	(14,300)
Investment Component Paid Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(7,581)	-	-	(7,581)
Insurance Acquisition Cash Flows	-	-	(7,432)	-	(7,432)
Insurance Contract Liabilities	2,525	37,970	43,376	-	83,872
Insurance Contract Assets	-	-	(2,309)	-	(2,309)
Net Balance	2,525	37,970	41,067	-	81,563



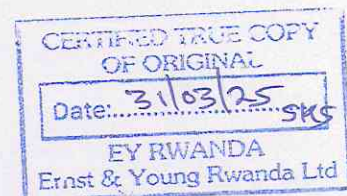
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
 7.3. Roll forward of liability of insurance contract (Continued)  
 7.3.5. Accident (continued)

**Liability for insurance contracts -Accident 2023**

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Accident product year end 2023, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	2,517	37,093	20,964	-	60,574
Insurance Contract Assets Bop	-	-	(849)	-	(849)
Net Balance Bop	2,517	37,093	20,114	-	59,724
Insurance Revenue	-	-	(69,893)	-	(69,893)
Insurance Service Expense	978	36,661	3,660	5,587	46,886
Incurred Claims	-	32,376	-	-	32,376
Directly Attributable Expenses	-	4,286	-	-	4,286
Adjustment To Liabilities For Incurred Claims	978	-	-	-	978
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	5,587	5,587
Acquisition Cash Flows Amortization	-	-	3,660	-	3,660
Insurance Service Result	978	36,661	(66,232)	5,587	(23,006)
Insurance Finance Expense Total	-	(1,317)	-	-	(1,317)
Therefore Recognized In Pnl	-	(1,317)	-	-	(1,317)
Cash Flows	-	(20,615)	74,602	-	53,987
Premiums Received	-	-	79,922	-	79,922
Claims Excl Non Distinct Investment Component Paid	-	(16,329)	-	-	(16,329)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(4,286)	-	-	(4,286)
Insurance Acquisition Cash Flows	-	-	(5,320)	-	(5,320)
Insurance Contract Liabilities	3,495	51,822	30,993	5,587	91,897
Insurance Contract Assets	-	-	(2,509)	-	(2,509)
<b>Net Balance</b>	<b>3,495</b>	<b>51,822</b>	<b>28,484</b>	<b>5,587</b>	<b>89,388</b>



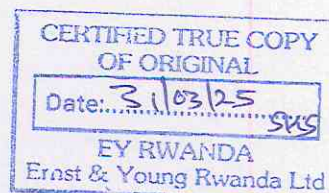
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.6. Marine

Liability for insurance contracts-Marine 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Marine product year end 2024, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	717	4,355	(193)	-	4,879
Insurance Contract Assets Bop	-	-	(2,204)	-	(2,204)
Net Balance Bop	717	4,355	(2,397)	-	2,675
Insurance Revenue	-	-	(86,833)	-	(86,833)
Insurance Service Expense	(672)	19,293	7,762	-	26,383
Incurred Claims	-	14,010	-	-	14,010
Directly Attributable Expenses	-	5,283	-	-	5,283
Adjustment To Liabilities For Incurred Claims	(672)	-	-	-	(672)
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	-	-
Acquisition Cash Flows Amortization	-	-	7,762	-	7,762
Insurance Service Result	(672)	19,293	(79,071)	-	(60,450)
Insurance Finance Expense Total	-	173	-	-	173
Therefore Recognized In Pnl	-	173	-	-	173
Cash Flows	-	(8,508)	70,871	-	62,363
Premiums Received	-	-	78,109	-	78,109
Claims Excl Non Distinct Investment Component Paid	-	(3,224)	-	-	(3,224)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(5,283)	-	-	(5,283)
Insurance Acquisition Cash Flows	-	-	(7,237)	-	(7,237)
Insurance Contract Liabilities	45	15,314	(8,917)	-	6,442
Insurance Contract Assets	-	-	(1,679)	-	(1,679)
Net Balance	45	15,314	(10,596)	-	4,763



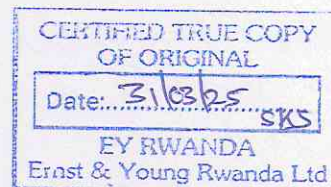
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.6. Marine(continued)

Liability for insurance contracts-Marine 2023

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Marine product year end 2023, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	689	10,144	(14,575)	-	(3,742)
Insurance Contract Assets Bop	-	-	(779)	-	(779)
Net Balance Bop	689	10,144	(15,355)	-	(4,522)
Insurance Revenue	-	-	(98,315)	-	(98,315)
Insurance Service Expense	28	1,129	8,984	-	10,141
Incurred Claims	-	(5,021)	-	-	(5,021)
Directly Attributable Expenses	-	6,150	-	-	6,150
Adjustment To Liabilities For Incurred Claims	28	-	-	-	28
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	-	-
Acquisition Cash Flows Amortization	-	-	8,984	-	8,984
Insurance Service Result	28	1,129	(89,331)	-	(88,174)
Insurance Finance Expense Total	-	569	-	-	569
Therefore Recognized In Pnl	-	569	-	-	569
Cash Flows	-	(7,487)	102,289	-	94,802
Premiums Received	-	-	112,698	-	112,698
Claims Excl Non Distinct Investment Component Paid	-	(1,337)	-	-	(1,337)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(6,150)	-	-	(6,150)
Insurance Acquisition Cash Flows	-	-	(10,409)	-	(10,409)
Insurance Contract Liabilities	717	4,355	(193)	-	4,879
Insurance Contract Assets	-	-	(2,204)	-	(2,204)
Net Balance	717	4,355	(2,397)	-	2,675



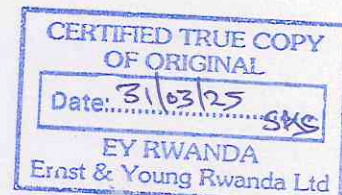
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
 7.3. Roll forward of liability of insurance contract (Continued)  
 7.3.7. Guarantee

Liability for insurance contracts -Guarantee 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Guarantee product year end 2024, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	721	18,884	143,550	-	163,155
Insurance Contract Assets Bop	-	-	(2,947)	-	(2,947)
Net Balance Bop	721	18,884	140,603	-	160,208
Insurance Revenue	-	-	(360,240)	-	(360,240)
Insurance Service Expense	(608)	86,924	(5,029)	-	81,287
Incurred Claims	-	62,691	-	-	62,691
Directly Attributable Expenses	-	24,233	-	-	24,233
Adjustment To Liabilities For Incurred Claims	(608)	-	-	-	(608)
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	-	-
Acquisition Cash Flows Amortization	-	-	(5,029)	-	(5,029)
Insurance Service Result	(608)	86,924	(365,269)	-	(278,953)
Insurance Finance Expense Total	-	248	-	-	248
Therefore Recognized In Pnl	-	248	-	-	248
Cash Flows	-	(98,119)	332,898	-	234,779
Premiums Received	-	-	342,755	-	342,755
Claims Excl Non Distinct Investment Component Paid	-	(73,886)	-	-	(73,886)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(24,233)	-	-	(24,233)
Insurance Acquisition Cash Flows	-	-	(9,857)	-	(9,857)
Insurance Contract Liabilities	113	7,936	126,065	-	134,114
Insurance Contract Assets	-	-	(17,834)	-	(17,834)
Net Balance	113	7,936	108,231	-	116,280



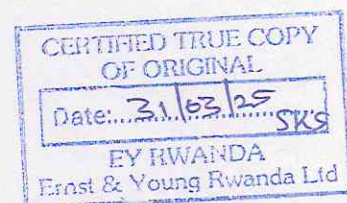
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
 7.3. Roll forward of liability of insurance contract (Continued)  
 7.3.7. Guarantee(continued)

Liability for insurance contracts-Guarantee 2023

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Guarantee product year end 2023, is disclosed in the table below:

Name	Lfrc Ra	Lfrc Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	696	10,253	274,107	-	285,056
Insurance Contract Assets Bop	-	-	(5,610)	-	(5,610)
Net Balance Bop	696	10,253	268,497	-	279,446
Insurance Revenue	-	-	(469,442)	-	(469,442)
Insurance Service Expense	25	47,627	9,589	-	57,241
Incurred Claims	-	29,652	-	-	29,652
Directly Attributable Expenses	-	17,975	-	-	17,975
Adjustment To Liabilities For Incurred Claims	25	-	-	-	25
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	-	-
Acquisition Cash Flows Amortization	-	-	9,589	-	9,589
Insurance Service Result	25	47,627	(459,852)	-	(412,200)
Insurance Finance Expense Total	-	579	-	-	579
Therefore Recognized In Pnl	-	579	-	-	579
Cash Flows	-	(39,575)	331,958	-	292,382
Premiums Received	-	-	338,884	-	338,884
Claims Excl Non Distinct Investment Component Paid	-	(21,600)	-	-	(21,600)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(17,975)	-	-	(17,975)
Insurance Acquisition Cash Flows	-	-	(6,927)	-	(6,927)
Insurance Contract Liabilities	721	18,884	143,550	-	163,155
Insurance Contract Assets	-	-	(2,947)	-	(2,947)
Net Balance	721	18,884	140,603	-	160,208



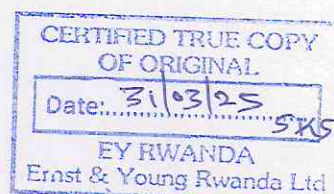
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
7.3. Roll forward of liability of insurance contract (Continued)  
7.3.8. Miscellaneous

Liability for insurance contracts-Miscellaneous 2024

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Miscellaneous product year end 2024, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	21,338	225,397	(503,563)	30,247	(226,581)
Insurance Contract Assets Bop	-	-	(52,832)	-	(52,832)
Net Balance Bop	21,338	225,397	(556,395)	30,247	(279,412)
Insurance Revenue	-	-	(2,358,208)	-	(2,358,208)
Insurance Service Expense Incurred Claims	(8,380)	1,428,214	208,981	(30,247)	1,598,568
Directly Attributable Expenses	-	1,337,564	-	-	1,337,564
Adjustment To Liabilities For Incurred Claims	(8,380)	90,650	-	-	90,650
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	(30,247)	(30,247)
Acquisition Cash Flows Amortization	-	-	208,981	-	208,981
Insurance Service Result	(8,380)	1,428,214	(2,149,226)	(30,247)	(759,639)
Insurance Finance Expense Total	-	(5,226)	-	-	(5,226)
Therefore Recognized In Pnl	-	(5,226)	-	-	(5,226)
Therefore Recognized In Oci	-	-	-	-	-
Total Amounts Recognised In Comprehensive Income	-	-	-	-	-
Investment Components	-	-	-	-	-
Other Changes	-	-	-	-	-
Cash Flows	-	(1,165,025)	2,661,403	-	1,496,378
Premiums Received	-	-	2,917,074	-	2,917,074
Claims Excl Non Distinct Investment Component Paid	-	(1,074,374)	-	-	(1,074,374)
Non Distinct Investment Component Paid	-	-	-	-	-
Directly Attributable Expenses Paid	-	(90,650)	-	-	(90,650)
Insurance Acquisition Cash Flows	-	-	(255,671)	-	(255,671)
Insurance Contract Liabilities	12,958	483,361	55,303	-	551,622
Insurance Contract Assets	-	-	(99,522)	-	(99,522)
Net Balance	12,958	483,361	(44,219)	-	452,100



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7. Insurance and reinsurance contracts (Continued)

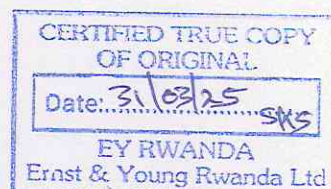
7.3. Roll forward of liability of insurance contract (Continued)

7.3.8. Miscellaneous (Continued)

Liability for insurance contracts-Miscellaneous 2023

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for Miscellaneous product year end 2023, is disclosed in the table below:

Name	Lfic Ra	Lfic Be	Lfrc Excl Loss Component	Loss Component	Total
Insurance Contract Liabilities Bop	9,033	133,098	310,416	2,064	454,611
Insurance Contract Assets Bop	-	-	(38,543)	-	(38,543)
Net Balance Bop	9,033	133,098	271,873	2,064	416,068
Insurance Revenue	-	-	(1,845,008)	-	(1,845,008)
Insurance Service Expense	12,305	850,507	142,494	28,183	1,033,489
Incurred Claims	-	743,508	-	-	743,508
Directly Attributable Expenses	-	106,999	-	-	106,999
Adjustment To Liabilities For Incurred Claims	12,305	-	-	-	12,305
Losses On Onerous Contracts And Reversal Of Those Losses	-	-	-	28,183	28,183
Acquisition Cash Flows Amortization	-	-	142,494	-	142,494
Insurance Service Result	12,305	850,507	(1,702,514)	28,183	(811,519)
Insurance Finance Expense Total Therefore Recognized In Pnl	-	(4,678)	-	-	(4,678)
Cash Flows	-	(753,529)	874,247	-	120,718
Premiums Received	-	-	1,031,030	-	1,031,030
Claims Excl Non Distinct Investment Component Paid	-	(646,530)	-	-	(646,530)
Directly Attributable Expenses Paid	-	(106,999)	-	-	(106,999)
Insurance Acquisition Cash Flows	-	-	(156,783)	-	(156,783)
Insurance Contract Liabilities	21,338	225,397	(503,563)	30,247	(226,581)
Insurance Contract Assets	-	-	(52,832)	-	(52,832)
Net Balance	21,338	225,397	(556,395)	30,247	(279,413)

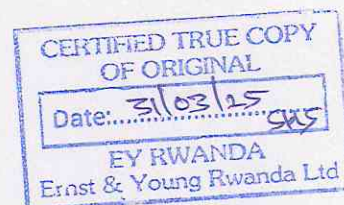


BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
 7.4. Roll forward for reinsurance contract 2024

The roll-forward of the net asset or liability for re insurance contracts held, showing the asset for remaining coverage and the asset for incurred claims for the company portfolios, are disclosed in the table below:

Name	Ri Afic Ra	Ri Afic Be	Ri Afrc Excl Loss Component	Ri Loss Recovery	Total
Reinsurance Contract Assets Bop	61,118	899,226	2,070,526	82,342	3,113,212
Reinsurance Contract Liabilities Bop	-	-	(597,699)	-	(597,699)
Net Balance Bop	61,118	899,226	1,472,827	82,342	2,515,513
Allocation Of Reinsurance Premiums Paid	-	-	(4,586,566)	-	(4,586,566)
Amounts Recoverable From Reinsurers	(4,807)	1,871,258	1,383,795	(82,342)	3,167,903
Incurred Claims Recovered And Other Reinsurance Service Expenses	-	1,871,258	-	-	1,871,258
Adjustments To Assets For Incurred Claims	(4,807)	-	-	-	(4,807)
Recovery Of Losses And Reversal On Recovery Of Losses	-	-	-	(82,342)	(82,342)
Amortization Of Reinsurance Acquisition Cash Flows	-	-	1,383,795	-	1,383,795
Reinsurance Service Result	(4,807)	1,871,258	(3,202,771)	(82,342)	(1,418,663)
Reinsurance Finance Expense Total	-	(16,478)	-	-	(16,478)
Therefore Recognized In Pnl	-	(16,478)	-	-	(16,478)
Cash Flows	-	(1,707,759)	3,484,796	-	1,777,037
Premiums Paid	-	-	4,719,357	-	4,719,357
Claims Excl Non Distinct Investment Component Paid	-	(1,707,759)	-	-	(1,707,759)
Reinsurance Acquisition Cash Flows	-	-	(1,234,561)	-	(1,234,561)
Reinsurance Contract Assets	56,310	1,046,248	2,203,317	-	3,305,875
Reinsurance Contract Liabilities	-	-	(448,465)	-	(448,465)
<b>Net Balance</b>	<b>56,310</b>	<b>1,046,248</b>	<b>1,754,852</b>	<b>-</b>	<b>2,857,410</b>

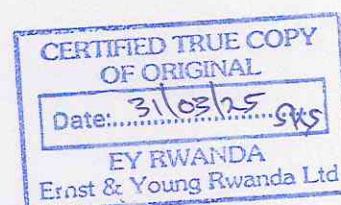


BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

7. Insurance and reinsurance contracts (Continued)  
 7.4. Roll forward for reinsurance contract (Continued)

Year end 2023

Name	Ri Afic Ra	Ri Afic Be	Ri Afrc Excl Loss Component	Ri Loss Recovery	Total
Reinsurance Contract Assets Bop	63,024	928,443	1,441,244	-	2,432,711
Reinsurance Contract Liabilities Bop	-	-	(304,387)	-	(304,387)
Net Balance Bop	63,024	928,443	1,136,857	-	2,128,324
Allocation Of Reinsurance Premiums Paid	-	-	(3,442,167)	-	(3,442,167)
Amounts Recoverable From Reinsurers	(1,906)	1,530,136	960,299	82,342	2,570,871
Incurred Claims Recovered And Other Reinsurance Service Expenses	-	1,530,136	-	-	1,530,136
Adjustments To Assets For Incurred Claims	(1,906)	-	-	-	(1,906)
Recovery Of Losses And Reversal On Recovery Of Losses	-	-	-	82,342	82,342
Amortization Of Reinsurance Acquisition Cash Flows	-	-	960,299	-	960,299
Reinsurance Service Result	(1,906)	1,530,136	(2,481,868)	82,342	(871,294)
Reinsurance Finance Expense Total	-	20,027	-	-	20,027
Therefore Recognized In Pnl	-	20,027	-	-	20,027
Cash Flows	-	(1,579,380)	2,817,838	-	1,238,457
Premiums Paid	-	-	4,071,449	-	4,071,449
Claims Excl Non Distinct Investment Component Paid	-	(1,579,380)	-	-	(1,579,380)
Reinsurance Acquisition Cash Flows	-	-	(1,253,611)	-	(1,253,611)
Reinsurance Contract Assets	61,118	899,226	2,070,526	82,342	3,113,212
Reinsurance Contract Liabilities	-	-	(597,699)	-	(597,699)
<b>Net Balance</b>	<b>61,118</b>	<b>899,226</b>	<b>1,472,827</b>	<b>82,342</b>	<b>2,515,513</b>



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

8. Insurance Revenue	2024 Frw'000	2023 Frw'000
Insurance Revenue	15,351,291	12,770,247
Insurance Revenue	15,351,291	12,770,247

9. Insurance Service Expenses	2024 Frw'000	2023 Frw'000
Incurred Claims	(5,862,276)	(5,227,684)
Directly Attributable Expenses	(1,015,663)	(773,971)
Acquisition Cash Flows Amortization	(939,624)	(751,976)
Adjustment To Liabilities For Incurred Claims	140,496	(63,367)
Losses On Onerous Contracts And Reversal Of Those Losses	187,087	(185,020)
Insurance Service Expenses	(7,489,980)	(7,002,018)

Note: Details are in the roll forward insurance contract assets and liabilities in note 7.3

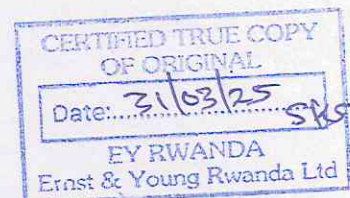
10. Allocation of reinsurance premium

	2024 Frw'000	2023 Frw'000
Allocation Of Reinsurance Premiums Paid	(4,586,566)	(3,442,167)
Amortization Of Reinsurance Acquisition Cash Flows	1,383,795	960,299
Incurred Claims Recovered And Other Reinsurance Service Expenses	1,871,258	1,530,136
Adjustments To Assets For Incurred Claims	(4,807)	(1,907)
Recovery Of Losses And Reversal On Recovery Of Losses	(82,343)	82,343
Net expenses from reinsurance contracts held	(1,418,663)	(871,296)

Note: Details are in the roll forward for reinsurance in note 7.4

11.a Interest and dividend income

	2024 Frw'000	2023 Frw'000
Interest on term Deposit	915,885	594,273
Interest on Governments Bonds	1,127,159	1,138,055
Interest From corporate Commercial paper and Bond	245,976	229,281
Impairment loss on financial assets	-	-
Interest on current Account	20,519	8,051
Total Investment Income	2,309,539	1,969,660



11.b Estimated Credit loss on Financials asset

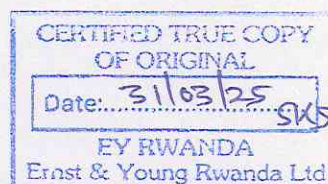
	2024	2023
	Frw'000	Frw'000
Losses on financial assets	10,395	27,331
Net Investment Income	2,299,144	1,942,329

12. Finance income for insurance contracts issued:

	2024	2023
	Frw'000	Frw'000
Interest accreted to insurance contracts using current financial assumptions:		
Interest accreted to insurance contracts using locked in rate:		
Due to changes in interest rates and other financial assumptions:		
Net foreign exchange income (expenses)		
Insurance finance expenses from insurance contracts issued	67,169	7,274

13. Finance expense for reinsurance contracts held

	2024	2023
	Frw'000	Frw'000
Interest accreted to reinsurance contracts held using current financial assumptions:		
Changes in non-performance risk of reinsurer		
Net foreign exchange income (expense)		
Reinsurance finance income from reinsurance contracts held	(16,478)	20,028



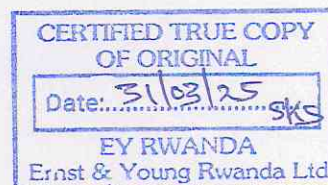
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Non attributable expenses

	2024	2023
	Rwf'000	Rwf'000
Audit Fees	28,050	32,490
Bank charges and Exchange Loss	39,504	21,284
Board of Directors sitting allowances	54,442	44,514
Cleaning and Maintenance Cost	40,092	31,007
Communications Cost	61,219	49,947
Consultancy and Professional fees	107,037	137,313
Depreciations	215,129	455,309
Finance costs on lease	87,081	103,265
Fines and Penalties	5,118	4
Insurance expenses	28,420	60,597
IT and related cost	6,524	4,101
Local Taxes	1,000	276
Marketing expenses	199,155	131,254
Office supplies	39,841	43,769
Other Expenses	74,151	36,239
Refreshment and receptions	32,792	24,075
Sport and entertainment cost	20,504	3,450
Staff Cost	1,408,285	1,056,238
Supervision Fees	73,339	55,286
Travel and accommodation cost	46,718	14,966
Vehicle running Cost	28,321	23,700
Water and Electricity	11,599	3,742
<b>Grand Total</b>	<b>2,608,321</b>	<b>2,332,826</b>

15. Other Income

	2024	2023
	Frw'000	Frw'000
Policy Fees	92,771	83,686
Foreign exchange gain	28,454	10,817
Fees on certificate issued	37,393	38,746
Sub rental income and disposal	8,738	20,621
<b>Total Other Income</b>	<b>167,356</b>	<b>153,870</b>



BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

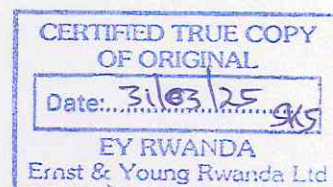
16. Current Income Tax Expenses

The tax rate was changed from 30% to 28%. The law enacting the new rate was gazetted on September 2023. Hence a prorate computation for 270 days at 30% and 95 days at 28% in the year 2023. A constant rate of 28% has been applied throughout the year 2024.

	2024	2023
	Rwf'000	Rwf'000
Current Income Tax Charge	1,780,421	1,435,247
Deferred Income tax credit	(112,256)	(27,458)
	<u>1,668,165</u>	<u>1,407,789</u>
Profit before income tax	6,012,513	4,568,853
Tax Calculated at the statutory income tax rate of 28%	1,683,504	1,346,873
Tax effect of:		
Expenses not deductible for tax purpose	46,071	88,374
Over/Under provision	(61,410)	(27,458)
Net Income tax expense	<u>1,668,165</u>	<u>1,407,789</u>

17. Equipment and motor vehicles

31 December 2024	IT equipment	Motor vehicle	Furniture & Other Fixed Asset	TOTAL
Cost:	Frw'000	Frw'000	Frw'000	Frw'000
At 1 January 2024	192,217	417,206	134,195	743,618
Additions	135,546	-	5,142	140,688
Revaluation Adjustments	(183,175)	16,501	116,023	(50,651)
At 31 December 2024	<u>144,588</u>	<u>433,707</u>	<u>255,360</u>	<u>833,655</u>
Acc. depreciation:				
At 1 January 2024	136,645	295,464	45,277	477,386
Charge for the year	2,576	54,066	22,107	78,749
Revaluation Adjustments	(67,360)	(157,154)	10,519	(213,995)
Total Acc Depreciation at 31 Dec 2024	<u>71,861</u>	<u>192,376</u>	<u>77,903</u>	<u>342,140</u>
Net Book Value 31 Dec 2024	<u>72,727</u>	<u>241,331</u>	<u>177,457</u>	<u>491,515</u>



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

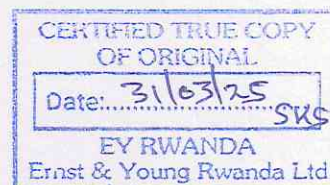
17. Equipment and motor vehicles (continued)

31 December 2023	IT equipment	Motor vehicle	Furniture & fittings	TOTAL
	Rwf'000	Rwf'000	Rwf'000	Rwf'000
Cost:				
At 1 January 2023	160,091	331,013	125,217	616,321
Additions	<u>32,126</u>	<u>86,193</u>	<u>8,978</u>	<u>127,297</u>
At 31 December 2023	<u>192,217</u>	<u>417,206</u>	<u>134,195</u>	<u>743,618</u>
Acc. depreciation:				
At 1 January 2023	131,729	199,969	17,891	349,589
Charge for the year	4,916	95,495	27,386	127,797
Total Acc Depreciation at 31 Dec 2023	<u>136,645</u>	<u>295,464</u>	<u>45,277</u>	<u>477,386</u>
Net Book Value 31 Dec 2023	<u>55,571</u>	<u>121,742</u>	<u>88,919</u>	<u>266,232</u>

The company performed the revaluation of all its intangible assets as at 31 December 2024 done by an independent valuer called Petno Trust Company Ltd. The methodology used is Open Market Value (O.M.V). They have considered the current purchase prices of similar assets or their functional replacements, in the overseas or local market to arrive at the replacement cost values. All tangible assets have been revalued namely IT Equipment's, Motor Vehicle and Furniture and Fitting. The revaluation resulted in a surplus of Rwf'000 173,655 for motor vehicles and Rwf '000 105,504 for furniture & fittings. This surplus is not distributable to the shareholders. The revaluation also resulted in a revaluation deficit of Rwf'000 115,815 for IT equipments. This deficit has been recognized in the profit & loss statement.

18. Intangible assets

Cost:	2024	2023
	Frw'000	Frw'000
At 1 January	389,556	338,456
Work in progress	255,963	51,100
At 31 December	<u>645,519</u>	<u>389,556</u>
Acc. depreciation:		
At 1 January	154,492	128,311
Charge for the year	23,999	26,181
At 31 December	<u>178,491</u>	<u>154,492</u>
Net Book Value	<u>467,028</u>	<u>235,064</u>

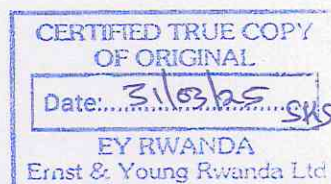


BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

19. Right of Use Assets and Lease Liability

19(a) Lease liability	2024	2023
	Frw'000	Frw'000
At 1 January	527,660	614,634
Interest for the period	87,081	103,266
Termination of lease	-	(4,240)
Principal Payments of Lease	(98,919)	(82,735)
Interest Paid on lease	(87,081)	(103,265)
Closing balance	428,741	527,660
19(b) Right of Use Asset	2024	2023
	Frw'000	Frw'000
Cost		
At 1 January	674,286	698,292
Additions	-	-
Disposal due to termination of lease	-	(24,006)
At 31 December	674,286	674,286
Accumulated Depreciation		
At 1 January	224,762	126,086
Charge of the Year	112,381	112,381
Disposal due to termination of lease	-	(13,705)
At 31 December	337,143	224,762
Closing balance	337,143	449,524

BKGI has a contract with I&M for leasing of office space in Kigali city. The contract was signed in August 2021 however it was effective on 30 December 2021. Lease term is 5 years with renewable option. BKGI has the right to control and direct the use leased houses, there is no substitution right for the landlord and BK General Insurance will enjoy economic benefits from the use of leased building as they have the right to control the use of asset. There are no variable lease payments.



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
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20. Deferred Tax asset

31-Dec-24	1-Jan-24	Credit/Debit to P&L	31-Dec-24
Deferred income tax asset relates to			
Staff Bonus	71,028	52,838	123,866
Expected credit losses on financial assets	33,838	654	34,492
Provision for impairments	55,924	58,764	114,688
Deferred Income tax asset	160,790	112,256	273,046
31-Dec-23	1-Jan-23	Credit/Debit to P&L	31-Dec-23
Deferred income tax asset relates to			
Staff Bonus	62,991	8,037	71,028
Expected credit losses on financial assets	25,640	8,198	33,838
Provision for impairments	44,702	11,222	55,924
Deferred Income tax asset	133,333	27,457	160,790

21. Insurance Contract Assets

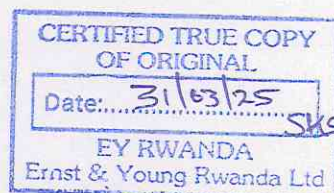
	2024 Frw'000	2023 Frw'000
Insurance Contract Assets	467,903	398,548

Note: For details refer to note 7.3-roll forward for net or liability of insurance contract liability per product

22. Reinsurance contract asset

	2024 Frw'000	2023 Frw'000
Ri Afrc Excl Loss Component	2,203,317	2,070,526
Ri Afic Be	1,046,248	899,226
Ri Afic Ra	56,310	61,118
Unearned Commission	(448,465)	(597,699)
Effect of onerous contract	-	82,342
Reinsurance contract assets	2,857,410	2,515,513

Note: For details refer to note 7.4-roll forward for net or liability of reinsurance contract held



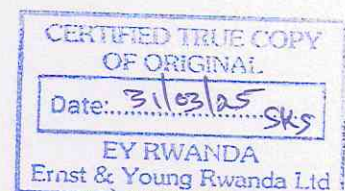
BK GENERAL INSURANCE COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
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23. Other Receivables

	2024	2023
	Frw'000	Frw'000
Prepayments	78,590	65,406
Cash guarantee with bank	39,670	41,571
Subrogation Recoveries	183,564	314,237
SWAN 10% Withhold	23,708	-
Sundry debtors	833	-
Comp Pension Scheme	4,217	-
VAT Recoverable	212,929	80,446
<b>Total Other Receivables</b>	<b>543,511</b>	<b>501,660</b>

24. Deposits with financial institutions

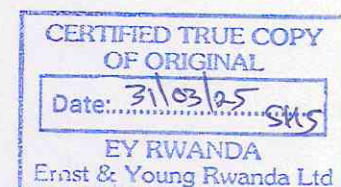
	2024	2023
	Frw'000	Frw'000
<b>Term deposits</b>		
Bank of Kigali	1,500,000	2,000,000
Cogebanque/Equity	500,000	500,000
I&M Bank	400,000	1,400,000
Bank of Africa	500,000	500,000
Equity Bank Rwanda	1,900,000	1,900,000
Aguka	700,000	700,000
BPR	1,500,000	800,000
NCBA	1,500,000	-
AB Bank	800,000	-
<b>Total term deposits</b>	<b>9,300,000</b>	<b>7,800,000</b>
<b>Gross carrying amount reconciliation for term deposits</b>		
Opening Balance	7,800,000	5,600,000
Additions during the Year	3,000,000	2,200,000
Matured during the year	(1,500,000)	-
<b>Closing Balance</b>	<b>9,300,000</b>	<b>7,800,000</b>
<b>Add: Interest receivable</b>		
As at the start of the year	416,207	356,178
Interest income during the year	915,885	594,273
Interest received during the year	(751,565)	(534,244)
<b>As at the end of the year</b>	<b>580,527</b>	<b>416,207</b>
Less: Expected credit losses	(38,565)	(27,909)
<b>Carrying amount</b>	<b>9,841,962</b>	<b>8,188,298</b>



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

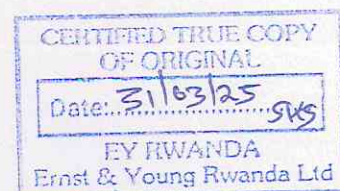
25. Investment in Securities

	2024	2023
	Frw'000	Frw'000
i) T.Bonds/ National Bank of Rwanda		
As at the start of the year	10,027,391	8,824,239
Addition during the year	-	1,203,153
disposal during the year	(988,588)	-
<b>Total T.Bonds</b>	<b>9,038,803</b>	<b>10,027,391</b>
<b>Add: Interest receivable</b>		
As at the start of the year	301,652	263,017
Interest income during the year	1,127,159	1,138,055
Interest received during the year	(1,125,023)	(1,099,420)
<b>Total interest receivable</b>	<b>303,788</b>	<b>301,652</b>
Less: Expected credit losses	(46,713)	(51,645)
<b>Carrying amount</b>	<b>9,295,879</b>	<b>10,277,398</b>
ii) Commercial Paper / Horizon Group		
As at the start of the year	1,120,074	278,000
Addition during the year	-	842,074
Disposal during the year	-	-
<b>Total Commercial paper</b>	<b>1,120,074</b>	<b>1,120,074</b>
<b>Add: Interest received in advance</b>		
As at the start of the year	(21,658)	(5,865)
Interest income during the year	120,291	104,281
Interest received during the year	-	(120,074)
<b>Total interest received in advance</b>	<b>98,634</b>	<b>(21,658)</b>
Less: Expected credit losses	(24,849)	(22,397)
<b>Carrying amount</b>	<b>1,193,858</b>	<b>1,076,020</b>
iii) Long term Corporate Bond /(CVL)		
As at the start of the year	1,000,000	1,000,000
Less: Expected credit losses	(10,215)	(10,208)
<b>Total Corporate Bond</b>	<b>989,785</b>	<b>989,792</b>
<b>Add Interest receivable</b>		
As at the start of the year	104,794	104,794
Interest income during the year	125,685	125,000
Interest received during the year	(124,999)	(125,000)
<b>Total interest receivable</b>	<b>105,479</b>	<b>104,794</b>
<b>Carrying amount</b>	<b>1,095,265</b>	<b>1,094,586</b>
<b>Total investments in securities</b>	<b>11,585,002</b>	<b>12,448,004</b>



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

<b>26. Cash and Bank balances</b>		
Cash and bank balances	804,024	225,577
Less: Excess credit loss	(2,849)	(637)
	<b>801,175</b>	<b>224,940</b>
<b>27. Tax Payable</b>		
Opening Balance	52,089	211,177
Income tax for the period	1,780,421	1,435,247
Income tax payments during the year	<u>(1,605,078)</u>	<u>(1,594,335)</u>
<b>Current income tax payable</b>	<b><u>227,432</u></b>	<b><u>52,089</u></b>
<b>28. Insurance contract Liabilities</b>		
	2024	2023
	Frw'000	Frw'000
Liability for Remaining Coverage	(1,265,731)	1,675,587
Liability for Incurred Claims	4,620,877	4,140,538
Lfic Ra	140,967	281,464
Loss Component	-	187,086
	<b>3,496,113</b>	<b>6,284,675</b>
<b>29. Creditors arising from reinsurance &amp; coinsurance arrangement</b>		
	2024	2023
	Frw'000	Frw'000
Reinsures payables		
ZEP-RE	969,874	194,133
Africa-RE	446,991	267,428
Kenya-RE	36,575	46,352
GHANA REINSURANCE COMPANY LIMITED	36,658	35,875
WAICA REINSURANCE KENYA LIMITED	46,261	75,111
MAPFRE	(7,740)	15,342
CONTINENTAL	4,392	79,489
SOCIÉTÉ COMMERCIALE GABONAISE DE RÉASSURANCE	(2)	40,558
GRAND RE	7,875	-
SONARWA-COMESA	31,327	-
<b>Sub Total</b>	<b>1,572,211</b>	<b>754,288</b>



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

29. Creditors arising from reinsurance & coinsurance arrangement

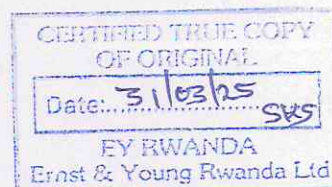
	2024	2023
	Frw'000	Frw'000
Coinsurers Payables		
SONARWA	1,770	27,328
BRITAM INSURANCE CO (RWANDA) LTD	33,080	24,226
MUA INSURANCE	13,288	35,156
PRIME INSURANCE LTD	19,996	52,728
RADIANT INSURANCE CO LTD	2,655	44,708
OLD MUTUAL Rwanda	6,294	40,135
SANLAM	2,809	15,773
MAYFAIR	4,707	32,147
<b>Sub Total</b>	<b>84,599</b>	<b>272,201</b>
<b>TOTAL</b>	<b>1,656,810</b>	<b>1,026,489</b>

30. Other Payables

	2024	2023
	Frw'000	Frw'000
Suppliers Account	94,850	43,790
Accrued Expenses	497,282	286,043
PAYE	86,596	67,457
Other Governments Payables	23,480	9,323
Intercompany Balance	21,731	2,595
RSSB PAYABLES	28,588	22,527
Special Guarantee Fund	28,006	25,742
COMP PENSION SCHEME	-	1,735
Commission Payables	332,317	261,194
Other Creditors	1,062	2,480
Cash collateral held	891,161	756,489
Dividends payable	-	790,266
<b>Total</b>	<b>2,005,073</b>	<b>2,269,641</b>

BK General Insurance holds cash collateral as performance guarantee placed by bidders in various tendering processes.

BK General Insurance will therefore compensate the contractor if the bidder fails to deliver on its mandate. The amounts are returned to the bidders in the event of successful delivery of its mandate in the tender. BK General Insurance charges fees for this service.



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

31. Share capital

Authorized shares	% Holding	2024	2023
		Rwf'000	Rwf'000
BK Group	70%	3,500,000	3,500,000
SWAN Group	30%	1,500,000	1,500,000
		<u>5,000,000</u>	<u>5,000,000</u>
Issued and fully paid up shares	% Holding	2024	2023
		Rwf'000	Rwf'000
BK Group	70%	2,100,000	2,100,000
SWAN Group	30%	900,000	900,000
		<u>3,000,000</u>	<u>3,000,000</u>

The Authorized share capital of the company is 5,000,000 shares (2023: 5,000,000) of Rwf 1,000 each (2023: Rwf. 1,000).

The issued and fully paid-up share capital of the company is 3,000,000 shares (2023: 3,000,000) of Rwf 1,000 each (2023: Rwf. 1,000). BK Group has paid Rwf 2.1 bn and SWAN paid Rwf 0.9 bn.

The directors recommend payment of dividend for the year ended 31 December 2024 Amounting to Rwf'000. 1,086,087 (2023: Rwf'000. 790,266) representing Dividends Per Share of Rwf. 362 (2023:Rwf 263)

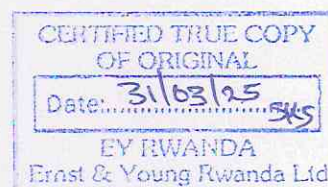
32. Related party transactions and balances

The company is controlled by BK Group Plc incorporated in Rwanda. There are other companies that are related to BK Insurance company Limited through common shareholdings or common directorships namely, BK tech, BK Capital, Bank of Kigali and BK Foundation.

The following transactions were carried out with related parties:

a Investments with related parties

	2024	2023
	Rwf'000	Rwf'000
Bank of Kigali Plc*	1,822,131	2,173,835
BK Capital (Aguka fund)	768,017	731,338
	<u>2,590,148</u>	<u>2,905,173</u>



BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

32. Related party transactions and balances

a) Bank balance and Term deposits

\*Bank of Kigali Plc is a sister company as well as the primary Banker. The deposit with related parties is included in the respective financial statement captions on the face of the statement of financial position as follows:

Term Deposits	1,573,016	2,071,299
Cash and bank balances	249,115	102,536
<b>Total</b>	<b>1,822,131</b>	<b>2,173,835</b>

The term deposits with the Bank of Kigali are unsecured and attract interest at rates of between 8.5% and 10% per annum. The principal of Rwf 1.5 billion are at the interest rate of 10% and Rwf 300 Million at a rate of 8.5%. They are denominated in Rwanda Francs. They have a maturity period of one year, maturing between April and December 2025.

The deposit with BK Capital (Aguka fund) is unsecured and attracts interest at the rate of 11% per annum. It matures in August 2025 and it's denominated in Rwanda Francs.

Cash and bank balances are unsecured and do not attract interest. They are denominated in both Rwanda Francs and United States of America Dollars. They are payable on demand.

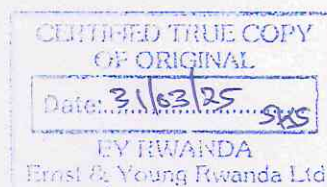
b) Interest Income with related party	2024	2023
	Rwf'000	Rwf'000
Bank of Kigali Plc	73,016	71,299
	<u>73,016</u>	<u>71,299</u>

c) Internet cost with BK Tech house	2024	2023
	Rwf'000	Rwf'000
BK Tech	35,167	2,595
	<u>35,167</u>	<u>2,595</u>

BK Tech is a sister company that render internet services to BKGI. Related party transactions throughout the year relate to internet services rendered.

d) Directors and Key management Remunerations

	2024	2023
	Rwf''000	Rwf''000
Directors' fees	54,442	44,514
Key Managements staff (EXCO)	665,097	628,873
	<u>719,539</u>	<u>673,387</u>



32. Related party transactions and balances (continued)

e) Premium and claims with related Parties

Related Party	2024	2023
<u>Premium Income</u>	Rwf'000	Rwf'000
Bank of Kigali Plc	224,446	434,553
BK Group	65,595	197,606
BK Techouse	11,909	14,456
BK Capital	10,144	8,144
BK Foundation	3,056	-
<b>Sub Total</b>	<b>315,150</b>	<b>654,759</b>
	2024	2023
<u>Claims Incurred</u>	Rwf'000	Rwf'000
Bank of Kigali Plc	2,573	922
BK Group	4,183	1,328
BK Techouse	2,067	940
BK Capital	-	-
BK Foundation	-	-
<b>Sub Total</b>	<b>8,823</b>	<b>3,190</b>

f) Premium receivables balances

Related Party	2024	2023
Bank of Kigali	26,427	108,916
Bk Group	741	51,220
BK Foundation	3,605	-
Bk Tech	19	19
<b>Total</b>	<b>30,792</b>	<b>160,155</b>

33. Contingent liabilities

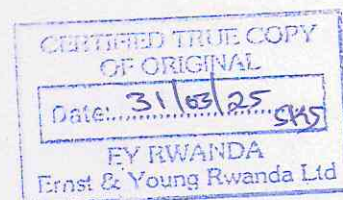
In common with the insurance industry, the company is subject to litigation arising in the normal course of insurance business. These amounts are already provided for, as part of insurance contract liabilities.

34. Events after reporting Date.

The directors are not aware of any events after the reporting date that require disclosure in or adjustments to the financial statements as at the date of this report.

35. Reclassification

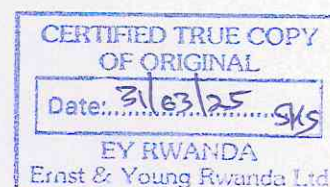
The entity has reclassified some numbers in the prior period in order to improve on IFRS 17 requirements and presentation in order to give more clarity to the users.



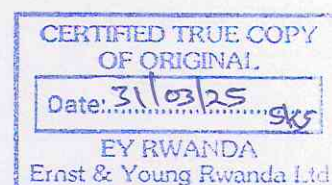
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF COMPREHENSIVE INCOME

	Notes	31 Dec 2023 signed	Reclassification	31 Dec 2023 after reclassification
		Rwf'000		Rwf'000
Insurance Revenue		12,770,247	-	12,770,247
Insurance service expenses	A,B,C, D	(9,044,644)	2,042,626	(7,002,018)
Net expenses from reinsurance contracts held	B,E,F	(944,004)	72,708	(871,296)
<b>Net Insurance service result</b>		<b>2,781,599</b>	<b>2,115,334</b>	<b>4,896,933</b>
Interest and dividend income		1,969,660	-	1,969,660
Estimated Credit Losses on financial assets		(146,086)	-	(146,086)
<b>Net Investment Income</b>		<b>1,823,574</b>	<b>-</b>	<b>1,823,574</b>
Finance expense from insurance contract issued	C, D	(263,303)	270,577	7,274
Finance income from reinsurance contract held	E, F	73,113	(53,085)	20,028
<b>Net insurance finance expenses</b>		<b>(190,190)</b>	<b>217,492</b>	<b>27,302</b>
<b>Net Insurance and investment result</b>		<b>4,414,983</b>	<b>(2,332,826)</b>	<b>6,747,809</b>
Non attributable expenses	A	-	(2,332,826)	(2,332,826)
Other Income		153,870	-	153,870
<b>Profit before tax</b>		<b>4,568,853</b>	<b>-</b>	<b>4,568,853</b>
Income Tax Expense		(1,407,789)	-	(1,407,789)
<b>Profit After Tax</b>		<b>3,161,064</b>	<b>-</b>	<b>3,161,064</b>
Other Comprehensive Income for the year		-	-	-
<b>Total Comprehensive Income for the Year</b>		<b>3,161,064</b>	<b>-</b>	<b>3,161,064</b>



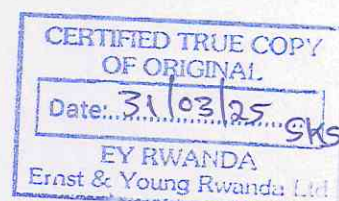
- A) Non attributable expenses of Rwf 2,332,826 were reclassified from Insurance service expenses to Non-attributable expenses
- B) Recoveries from insured of (19,622) were reclassified from Insurance Service expenses to Net expenses from reinsurance contracts held
- C) Claims incurred of 263,303 were reclassified from Finance expense to Insurance service expense
- D) Present value of incurred claims of 7,274 was reclassified from finance income from insurance contracts issued to Insurance service expense
- E) Reinsurance increase in PV in risk adjustment for claim liability of (73,113) has been reclassified from Finance income from reinsurance contract held to Net expenses from reinsurance contracts held
- F) Discounting on reinsurance recoveries of (20,027) was reclassified from Net expense from reinsurance to finance expense from reinsurance contract held



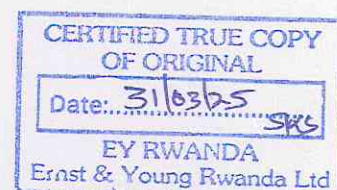
BK GENERAL INSURANCE COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL POSITION

	Notes	31 Dec 2023 signed	Reclassificati on	31 Dec 2023 after reclassificati on
		Rwf'000	Rwf'000	Rwf'000
<b>Assets</b>				
<b>Non-current assets</b>				
Equipment and motor vehicles		266,232	-	266,232
Intangible assets		235,064	-	235,064
Right-of-use assets		449,524	-	449,524
Deferred Tax asset		160,790	-	160,790
<b>Total non-current assets</b>		<b>1,111,610</b>	<b>-</b>	<b>1,111,610</b>
<b>Current assets</b>				
Insurance contract assets	G, H, I	5,111,545	(4,712,997)	398,548
Reinsurance contracts asset		2,515,513	-	2,515,513
Other receivables	H, J	186,653	315,007	501,660
Deposits with financial institutions		8,188,298	-	8,188,298
Investment in securities		12,448,004	-	12,448,004
Cash and bank balances		224,940	-	224,940
<b>Total current assets</b>		<b>28,674,953</b>	<b>(4,397,990)</b>	<b>24,276,963</b>
<b>Total assets</b>		<b>29,786,563</b>	<b>(4,397,990)</b>	<b>25,388,573</b>
<b>Non-current Liabilities</b>				
Lease liabilities		527,660	-	527,660
Insurance contract liabilities	G, I, K	10,944,629	(4,659,954)	6,284,675
Deferred tax liability		-	-	-
<b>Total Non-Current Liabilities</b>		<b>11,472,289</b>	<b>(4,659,954)</b>	<b>6,812,335</b>
<b>Current Liabilities</b>				
Creditors arising from reinsurance arrangements		1,026,489	-	1,026,489
Tax payable		52,089	-	52,089
Other payables	J, K	2,007,677	261,964	2,269,641
<b>Total Current Liabilities</b>		<b>3,086,255</b>	<b>261,964</b>	<b>3,348,219</b>
<b>Total liabilities</b>		<b>14,558,544</b>	<b>(4,397,990)</b>	<b>10,160,554</b>
<b>Equity</b>				
Share capital		3,000,000	-	3,000,000
Retained earnings		12,228,019	-	12,228,019
Revaluation reserve		-	-	-
<b>Total Equity</b>		<b>15,228,019</b>	<b>-</b>	<b>15,228,019</b>
<b>Total equity and liabilities</b>		<b>29,786,563</b>	<b>(4,397,990)</b>	<b>25,388,573</b>



- G - Premium receivables of Rwf 4,797,307,926 were reclassified from insurance contract assets into insurance contract liabilities
- H - Subrogation recoveries of Rwf 314,236,838 were reclassified from insurance contract assets into other receivables
- I - Deferred acquisition cost of Rwf 398,547,783 were reclassified from insurance contract liabilities into insurance contract assets
- J - Other taxes of Rwf (770,225) were reclassified from other receivables into other payables
- K - Commissions payable of Rwf 261,194,019 were reclassified from insurance contract liabilities into other payables



APPENDIX I: Solvency Margin Report as at 31 December 2024

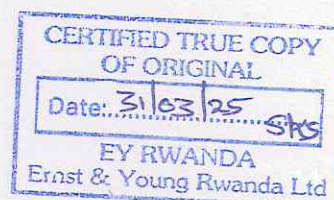
I.Required Solvency	Amount (Rwf'000)
Gross premium less reinsurance ceded last preceding year	10,923,027
Solvency margin Required:20% of previous year net premium or Rwf 1 000 million whichever is greater	2,184,605
<b>Compliance with Solvency Margin</b>	
Total Assets	36,319,896
Less:Non-Admitted Assets as per II.A,7	7,210,236
less:Deductions for assets subject to maximum admissible %as per II.B,7	4,138,017
Admitted Assets I.3 less I.4 and I.5	24,971,643
Less Admitted Liabilities as per III.C,3	17,662,028
Solvency margin Available (1,6 less 1,7)	7,309,615
Excess or Deficiency of solvency required(I.8 less I.2)	5,125,009
Solvency Coverage Ratio (I.8 divided by I.2)	334.6%

**II. A. Non-Admitted Assets**

Intangible Assets	467,028
Exposures (loans & Investments) to connected persons	-
Loans to insurance intermediaries overdue for more than 6 months	-
Reinsurance receivables overdue for more than 6 months	-
Loans and other receivables overdue for more than 2 months	6,450,721
Deferred expenses,deferred taxes and prepayments	292,488
<b>Total Non-Admitted Assets (add 11,A,1 to 7)</b>	<b>7,210,236</b>

II.B Assets Subject to Maximum Admissible Percentages	Amount A	Admissible%	Deductions
Investment in equities, Listed	-	85%	-
Investment in equities,unlisted	-	70%	-
Investment in debt securities	2,324,187	70%	697,256
Investment in properties	-	80%	-
Receivables from reinsurer which are not overdue	-	90%	-
All other Assets (Total assets less II.A & II.B 1,2,3)	26,785,473		
Less:			
(-)Cash	804,024		
(-)Deposit Balances	9,880,527		
(-)Government securities	9,219,400		
(b) All other assets subject to maximum %	6,881,522	50%	3,440,761
<b>Total Deductions(add II.B,1,2,3 and 4e)</b>			<b>4,138,017</b>

III.C, Admitted Liabilities			
	Amount on B/sheet A	Aditionl percentage factor 10%	Admitted liabilities( A plus A*B°
Technical Provisions	11,932,682	1,193,268	13,125,950
Unearned premium	7,170,838	717,084	7,887,922
Unexpired risk		-	-
Outstanding claims	3,757,811	375,781	4,133,592
IBNR	1,004,033	100,403	1,104,436
Other provisions	-	-	-
All other liabilities (Total liabilities-less Technical provisions)	4,536,078	-	4,536,078
<b>Total Admitted Liabilities</b>	<b>16,468,760</b>		<b>17,662,028</b>



BK GENERAL INSURANCE COMPANY LIMITED  
SUPPLEMENTARY INFORMATION

Revenue account per product

	Motor	Property (Fire)	Engineering	Liability	Accident	Guarantee (Bond)	Marine	Miscellaneous	Total
31-Dec-24									
Insurance Revenue	9,216,953	1,974,806	862,612	401,581	90,059	360,240	86,833	2,358,208	15,351,291
Insurance service expenses	(5,152,940)	(502,770)	(131,043)	10,183	(7,172)	(81,287)	(26,383)	(1,598,568)	(7,489,980)
Net expenses from reinsurance contracts held	53,352	(542,610)	(332,433)	(210,887)	(2,452)	(46,226)	(13,348)	(324,058)	(1,418,663)
Net Insurance service result	4,117,364	929,426	399,135	200,877	80,434	232,727	47,101	435,582	6,442,648
Interest and dividend income	1,475,979	333,178	143,081	72,010	28,834	83,427	16,885	156,146	2,309,539
Losses on financial assets	(140,245)	(30,049)	(13,126)	(6,110)	(1,370)	(5,481)	(1,321)	(35,883)	(233,585)
Net Investment Income	1,335,734	303,129	129,955	65,899	27,464	77,946	15,564	120,263	2,075,954
Finance income/expenses from insurance contract issued	42,790	34,131	(7,405)	(5,220)	(1,931)	(248)	(173)	5,226	67,170
Finance Expenses/ income from reinsurance contract held	(1,459)	(9,475)	(2,736)	244	905	(61)	(136)	(3,761)	(16,478)
Net insurance finance income/ expenses	41,332	24,656	(10,141)	(4,975)	(1,027)	(309)	(309)	1,465	50,691
Net Insurance and investment result	5,494,430	1,257,211	518,949	261,800	106,871	310,365	62,356	557,310	8,569,293
Non attributable expenses	(1,666,908)	(376,277)	(161,589)	(81,325)	(32,564)	(94,219)	(19,069)	(176,344)	(2,608,295)
Revaluation deficit	(74,015)	(16,708)	(7,175)	(3,611)	(1,446)	(4,184)	(847)	(7,830)	(115,815)
Other Income	100,465	21,526	9,403	4,377	982	3,927	946	25,705	167,330
Profit before tax	3,853,973	885,753	359,588	181,242	73,843	215,888	43,387	398,840	6,012,513
Income Tax Expense	(1,069,279)	(245,751)	(99,767)	(50,285)	(20,488)	(59,898)	(12,038)	(110,657)	(1,668,162)
Profit After Tax	2,784,694	640,002	259,821	130,957	53,356	155,991	31,349	288,182	4,344,351

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BK GENERAL INSURANCE COMPANY LIMITED  
SUPPLEMENTARY INFORMATION

Revenue account per product

31-Dec-23	Motor	Property	Engineering	Liability	Accident	Guarantee	Marine	Miscellaneous	Total
Insurance Revenue	7,881,938	1,601,995	652,667	150,989	69,893	469,442	98,315	1,845,008	12,770,247
Insurance service expenses	(5,119,029)	(338,747)	(314,331)	(82,152)	(46,886)	(57,241)	(10,142)	(1,033,490)	(7,002,018)
Net expenses from reinsurance contracts held	95,447	(322,417)	(38,815)	(1,719)	1,130	(104,137)	(35,670)	(465,113)	(871,295)
Net Insurance service result	2,858,356	940,830	299,521	67,118	24,136	308,064	52,503	346,406	4,896,933
Interest and dividend income	1,149,697	378,424	120,474	26,996	9,708	123,910	21,118	139,332	1,969,660
Losses on financial assets	(206,788)	(42,029)	(17,123)	(3,961)	(1,834)	(12,316)	(2,579)	(48,405)	(335,036)
Net Investment Income	942,909	336,394	103,351	23,035	7,874	111,594	18,539	90,927	1,634,624
Finance income/expenses from insurance contract issued	9,343	(2,596)	(8,853)	4,533	1,317	(579)	(569)	4,678	7,274
Finance Expenses/ income from reinsurance contract held	27,810	(19,094)	13,537	90	(905)	661	(73)	(1,998)	20,027
Net insurance finance income/ expenses	37,153	(21,690)	4,684	4,623	412	82	(642)	2,680	27,301
Net Insurance and investment result	3,838,418	1,255,534	407,557	94,776	32,422	419,740	70,400	440,013	6,558,859
Non attributable expenses	(1,251,387)	(411,895)	(131,130)	(29,384)	(10,567)	(134,870)	(22,986)	(151,656)	(2,143,876)
Other Income	94,971	19,303	7,864	1,819	842	5,656	1,185	22,231	153,870
Profit before tax	2,682,001	862,942	284,290	67,211	22,697	290,526	48,599	310,587	4,568,854
Income Tax Expense	(826,398)	(265,896)	(87,598)	(20,710)	(6,994)	(89,519)	(14,975)	(95,700)	(1,407,789)
Profit After Tax	1,855,603	597,046	196,693	46,502	15,704	201,007	33,624	214,887	3,161,064

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