



**RWANDA SOCIAL SECURITY BOARD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Contents

1.	Introduction.....	3
2.	Statement of directors' responsibilities	11
3.	Financial statements.....	12
3.1.	Statement of comprehensive income	12
3.2.	Statement of financial position	13
3.3.	Statement of changes in members' funds and reserves	14
3.4.	Statement of cash flows	15
4.	Notes to the financial statements	17

1. INTRODUCTION

1.1. Background of RSSB

RSSB law is governed by Law no. 009/2021 of 16/02/2021 establishing Rwanda Social Security Board effective from 16th February 2021. RSSB is categorised as a specialised organ and has a legal personality, administrative and financial autonomy. The mission of RSSB is to manage and promote social security in Rwanda. The supervising authority of RSSB is the Ministry in charge of finance.

Responsibilities of RSSB

Responsibilities of RSSB are the following:

1. To manage and promote social security in Rwanda (old age pension, survivorship benefits, nonoccupational invalidity benefits, occupational hazards insurance, maternity leave benefits scheme, health insurance and the long-term saving scheme);
2. To register employers, employees, beneficiaries and voluntary contributors in social security schemes under its management;
3. To monitor, collect and manage social security contributions;
4. To conduct audit and inspection to ensure compliance with social security laws;
5. To pay social security benefits to beneficiaries;
6. To invest in Rwanda or abroad in accordance with relevant laws;
7. To contribute to the elaboration of social security policy;
8. To contribute in designing strategies for shelter, adequate nutrition, education, support due to loss of jobs, provision for family and poverty reduction with intention to achieve social welfare;
9. To advise the Government on matters relating to social security;
10. To establish relations and collaborate with other regional or international institutions with similar mission;
11. To perform such other duties as may be assigned by Law.

1.2. Supervising authority of RSSB

RSSB is supervised by the Ministry of Finance and Economic Planning.

1.3. Management organs of RSSB

Management organs of RSSB are the following:

- 1) Board of Directors;
- 2) General management.

1.3.1 Board of Directors

The Board of directors is responsible for providing governance and oversight over the management of RSSB. The composition of the Board of Directors as at 30th June 2023 was as follows:

NAMES	Role on the board
Dr Christopher John WALES	Chairperson: Resigned 20 November ,2022
Mr. Marcel MUKESHIMANA	Ag. Chairperson: Appointed 21 Nov 2022
Prof. Senait FISSEHA	Member
Mr. Patrick MARARA SHYAKA	Member
Mr. Kephers USENGE	Member
Ms. Liliane BWAKIRA	Member
Dr. Violette AYINGENEYE	Member
Mr. Yves GATSIMBANYI	Member
Mr. Alain NDAYISHIMIYE	Member

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1.3.2 General management

The day to day running of RSSB is entrusted to the management team headed by the Chief Executive Officer. He is assisted by a Deputy Chief Executive Officer. Officers who served on the General Directorate for the year ended 30th June 2023 were as follows:

NAMES	POSITION	Comments
Mr. RUGEMANSHURO Regis	Chief Executive Officer	Appointed August 2022
Mrs. Louise KANYONGA	Deputy Chief Executive Officer	Appointed August 2022
Mr. RUGEMANSHURO Regis	Director General	Up to August 2022
Mr. Philippe WATRIN	Chief Investment Officer	Appointed August 2022
Mr. Philippe WATRIN	Deputy Director General in charge of Fund Management	Up to August 2022
Dr. HITIMANA Regis	Chief Benefits Officer	Appointed August 2022
Dr. HITIMANA Regis	Deputy Director General in charge of Benefits	Up to August 2022
Mr. MURINDABIGWI Innocent	Head of Finance and Contributions Department	Served entire 2022/2023
Mr. GASANA KWIZERA Eric	Head of Investment Department	Served entire 2022/2023
Mr. RULISA Alexis	Head of CBHI Department	Served entire 2022/2023
Ms. MUJAWABEGA Yvonne	Head of Pension and Occupational Hazards	Served entire 2022/2023
Dr. UMUTESI Lysette	Head of Medical Department	Served entire 2022/2023
Mr. GATERA Augustin	Head of Long-Term Saving Scheme (Ejo Heza)	Served entire 2022/2023

1.4. Registered office

Rwanda Social Security Board Headquarters
RSSB Building
Plot 1003 Ubumwe Cell,
African Union Boulevard
Kiyovu, Nyarugenge
PO BOX 250/6655 Kigali
Email : Info@rssb.rw
Toll Free line 4044

1.5. Auditors

The Auditor General
Office of the Auditor General for State Finances
Kimiurura avenue du Lac Muhazi NEC, OAG, RRA Complex
B.P 1020,
Kigali- Rwanda

1.6. Bankers

Bank of Kigali Limited
P O Box 175
Kigali, Rwanda

GT Bank (Rwanda) Limited
P O Box 331
Kigali, Rwanda

I & M Bank Rwanda Limited
P O Box 354
Kigali, Rwanda

Access Bank (Rwanda) Limited
P O Box 2059
Kigali, Rwanda

National Bank of Rwanda
P O Box 531
Kigali, Rwanda

Zigama Credit and Saving Society
P O Box 4772
Kigali, Rwanda

1.6. Bankers – Continued

Bank Populaire du Rwanda Limited
P O Box 1348
Kigali, Rwanda

Development Bank of Rwanda Limited
P.O Box 1341
Kigali, Rwanda

Ecobank Rwanda Limited
P O Box 3268
Kigali, Rwanda

Cogebanque Limited
P.O. Box 5230
Kigali, Rwanda

KCB Rwanda Limited
P O Box 5620
Kigali, Rwanda

Equity Bank Rwanda Limited
P O Box 494
Kigali, Rwanda

Unguka Bank Plc Rwanda
P.O BOX: 6417 Kigali.
Kigali, Rwanda

AB Bank Rwanda Limited
P.O Box 671,
Kigali, Rwanda

Letshego Rwanda Limited
P.O. Box 4062
Kigali, Rwanda

Bank of Africa
P.O. Box 265,
Kigali-Rwanda

NCBA Bank Rwanda PLC
Kigali Heights, 8th Floor, Boulevard de
l'Umuganda
P O Box 6774,
Kigali, Rwanda

1.7 Investment advisors for Ejo Heza

Rwanda National Investment Trust Ltd (RNIT)

DIRECTORS' REPORT

The Directors are pleased submit their report together with the financial statements for the year ended 30 June 2023 which discloses the state of affairs of Rwanda Social Security Board (RSSB).

1) RSSB mandate

RSSB was established and is governed by Law no. 009/2021 of 16/02/2021 which replaced Law N° 04/2015 of 11/03/2015, law modifying and complementing Law n° 45/2010 of 14/12/2010 establishing Rwanda Social Security Board (RSSB) and determining its mission, organization, and functioning.

RSSB continues to deliver on its mandate and serves members through the following six (6) schemes:

- i) Pension
- ii) Occupational Hazards
- iii) Medical
- iv) CBHI
- v) Maternity
- vi) Ejo Heza

2) Our Vision, Mission and Core Values

Our Vision

"To envision a comprehensive social security system that addresses the social security needs of all Rwandans"

Our Mission

"To provide high quality social security services, ensure efficient collection, benefits provision, management and investment of members' funds."

Our Core (Corporate) Values

In trying to achieve our vision and mission, we serve with empathy, creativity, integrity, and determination by following the ICARE principles:

- Integrity
- Collaboration
- Accountability
- Respect
- Excellence

3) Principal activities

Law no. 009/2021 of 16/02/2021 establishing Rwanda Social Security Board requires RSSB to manage and promote social security in Rwanda and provide health insurance, as defined under **two broad categories** below:

- i) **Social security:** Government strategies aimed at providing to people living in Rwanda health insurance and social protection from effects based on lack or reduction of income due to the following reasons:
 - a. Old age.
 - b. Death.
 - c. Disability.
 - d. Occupational hazards.
 - e. Sick leave.
 - f. Maternity leave.

The strategies may also provide for shelter, adequate nutrition, education, support due to loss of job, provision for family and poverty reduction with intention to achieve social welfare.

ii) Health insurance: This will cover:

- b. Community-based health insurance scheme.
- c. Medical insurance scheme for public servants governed by general statutes governing public servants, by special statutes or by law regulating labour in Rwanda; Employees in private institutions affiliated to the compulsory health insurance scheme; and Pensioners who contributed to the health insurance scheme.

RSSB has responsibility to manage and promote:

i) Social security in Rwanda

- Old age pension, survivorship benefits, nonoccupational invalidity benefits (Pension scheme)
- Occupational hazards insurance (Occupational Hazards scheme)
- Maternity leave benefits scheme
- Long-term saving scheme

ii) Health insurance

- Community-based health insurance scheme
- Medical insurance scheme

4) RSSB Autonomy

This is the first year of operations under the new legal framework for RSSB as a special organ. The Directors have undertaken various reforms to facilitate RSSB to operate as an autonomous entity as envisaged under Law no. 009/2021 of 16/02/2021 establishing Rwanda Social Security Board effective from 16th February 2021. The Board has approved key policies, procedures and guidelines required to operationalise Law no. 009/2021 of 16/02/2021 establishing Rwanda Social Security Board.

5) Strategic reforms

The Board continues to prioritise implementation of reforms defined in the RSSB 2020-2025 strategic plan. Annual workplans and budgets as well as performance targets are all aligned to ensure focused implementation of strategic plan activities to drive the reforms for transformation for RSSB.

6) Governance and management of RSSB

Members of the Board and management team that served during the year is listed under section 1.3 above.

7) Restructuring and staffing

The Board completed the initial activities of the restructuring process and has created a new structure for RSSB. The process of staffing commenced during the year. The Chief Executive Officer and Deputy Chief Executive Officer were appointed by Cabinet and approved by the Senate in August 2022. This key activity will continue to ensure that the approved structure is filled with the required staff.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

8) Membership of RSSB schemes

Membership of the different schemes is as presented below:

i) Membership Pension and occupational Hazards schemes

	2023	2022
a) Total members as at 30 June		
Contributing members (b)	721,871	678,713
Pensioners (c)	50,265	47,776
Deferred members	<u>1,217,280</u>	<u>1,266,311</u>
	<u>1,989,416</u>	<u>1,992,800</u>
b) Contributing members		
At start of year	678,713	683,653
Joiners	168,368	158,911
	847,081	842,564
Less:		
Retired (with pension or lumpsum)	6,226	6,763
Secessions (withdraw/deferred)	<u>118,984</u>	<u>157,088</u>
At end of year	<u>721,871</u>	<u>678,713</u>
c) Pensioners		
At start of the year	47,776	43,623
Contributing members who retired with pension	2,774	3,418
Widows or widowers' pension and orphans becoming payable	2,808	2,058
Members who got lump sum	<u>3,452</u>	<u>3,345</u>
	55,759	52,444
Less: Deaths and other secessionists	<u>6,545</u>	<u>4,668</u>
At end of year	<u>50,256</u>	<u>47,776</u>

ii) Membership of the Medical Insurance (RAMA)

	2023	2022
Active members		
Affiliates	223,123	193,286
Dependents	<u>385,313</u>	<u>360,762</u>
Total	<u>608,436</u>	<u>554,048</u>

iii) Membership of the Community Based Health Insurance

	2023	2022
Population coverage		
Target population	12,599,305	12,295,609
Active contributors	11,421,283	10,693,869
Coverage rate	90.7%	87%

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

iv) Membership of the Maternity Leave Benefits Scheme

	2023	2022
Contributors	714,960	673,418
Number of beneficiaries	3,737	3,479

v) Membership of Ejo Heza Scheme

	2023	2022
Contributors	2,714,612	1,953,249
Number of beneficiaries	4,042	1,607

9) RSSB performance and financial position as at 30 June 2023

	2023 Frw'millions	2022 Frw'millions
Performance during the year		
Net contributions from members	180,402	140,861
Net investment income	105,475	106,620
Net increase in fund assets	276,193	235,868
Financial position as at 30 June 2023		
Total assets	2,059,347	1,776,413
Net assets	2,001,385	1,724,998

10) RSSB investment portfolio at 30 June 2023

	2023 Frw'millions	As %ge of total assets	2022 Frw'millions
Investment properties and advances to contractors	256,186	13%	246,020
Equity investments	610,514	31%	543,897
Government securities, corporate bonds& papers, Deposits and bank balances	<u>1,110,187</u>	<u>55%</u>	<u>917,147</u>
Total	<u>1,976,887</u>	<u>99%</u>	<u>1,707,064</u>

11) Actuarial valuation

The Board commissioned an actuarial valuation of the Maternity Leave benefit scheme (MLBS). The actuarial valuation was performed by Muhanna and Co. Actuaries AND Consultants on behalf of the Board and considered data up to 30 June 2022. The valuation report was issued on 11 May 2023 whose results have been disclosed in these financial statements.

The Directors have relied on the actuarial valuation done in 2020 for three schemes: Pension, Medical and Occupational Hazards. The Directors are of the view that circumstances and assumptions made have not significantly changed to alter the conclusions and recommendations made in the 2020 actuarial valuation. The Board will commission another actuarial valuation in accordance with company policy.

12) Going concern

The Directors have made an assessment of RSSB's ability to continue operating as a going concern. Nothing has come to the Board's attention to make it doubt RSSB's ability to continue as a going concern. The Board is implementing various reforms and initiatives to improve RSSB capacity, operational efficiency, portfolio mix and return on investment. There is growth in contributions and total assets and this trend is expected to continue and improve as more reforms take root. Accordingly, financial statements have been prepared on going concern basis.

The Directors' report was signed by order of the Board and on behalf of the Board Directors on
..... *17th October 2023* by:


Mr. Regis RUGEMANSHURO
Chief Executive Officer




Mr. MUKESHIMANA Marcel
Ag Chairperson – Board of Directors

2. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of financial statements that give a true and fair view of Rwanda Social Security Board (RSSB) comprising the statement of financial position as at 30 June 2023, and the statements of comprehensive income, changes in Member funds and reserves and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 12 to 182, in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the provisions of Law no. 009/2021 of 16/02/2021 establishing Rwanda Social Security Board (RSSB).

The Directors' responsibility includes the maintenance of accounting records that may be relied upon in the preparation of financial statements, overseeing and endorsing the designing, implementing and maintenance of internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances. The Directors are also responsible for safeguarding the assets of the Board.

The Directors have made an assessment of the ability of Rwanda Social Security Board (RSSB) to continue as going concern and have no reason to believe that the business will not be a going concern in the year ahead from the date of this statement.

In our opinion, the financial statements of Rwanda Social Security Board (RSSB) for the year ended 30 June 2023 give a true and fair view of the state of financial affairs of Rwanda Social Security Board (RSSB). We further accept responsibility for maintenance of accounting records that may be relied upon in the preparation of financial statements and ensuring adequate system of internal controls to safeguard assets of Rwanda Social Security Board (RSSB).

3. FINANCIAL STATEMENTS

3.1. Statement of comprehensive income

		2023	2022
	Notes	Frw'millions	Frw'millions
Dealings with members			
Contributions	9	347,599	284,444
Benefits paid	10	(167,197)	(143,583)
Net additions from dealings with members		<u>180,402</u>	<u>140,861</u>
Returns on investments			
Investment income	11	124,619	95,128
Change in fair value of financial assets at fair value through profit or loss	12	(17,247)	9,691
Change in fair value of investment properties	13	0	7,168
Write back of prior year		0	0
Realized (loss)/gain on disposal of assets	14	658	(2,428)
Impairment losses on financial assets held at amortised cost	15	(575)	(691)
Less: investment management expenses	16	(1,979)	(2,248)
Net returns on investments		<u>105,475</u>	<u>106,620</u>
Grants	17	14,013	14,495
Other income	18	7,691	2,396
Expenditures			
Staff costs	19	(11,614)	(11,010)
Administrative expenses	20	(9,037)	(6,716)
Depreciation and amortization charge	21	(2,206)	(1,516)
Other expenses	22	(8,531)	(11,389)
Total expenses		<u>(31,389)</u>	<u>(30,630)</u>
Net income for the year		<u>276,193</u>	<u>233,742</u>
Other comprehensive income			
Revaluation gain on property and equipment (administrative assets)	23	0	2,126
Increase in net assets for the year		<u>276,193</u>	<u>235,868</u>


The notes on pages 17 to 182 form an integral part of these financial statements.

3.2. Statement of financial position

	Notes	2023 Frw'millions	2022 Frw'millions
Assets			
Property and equipment	24	14,955	14,400
Intangible assets	25	1,732	1,774
Investment properties	26	230,118	227,604
Investment properties in the process of construction	27	22,668	12,031
Assets held for sale	28	0	0
Equity investments	29	610,514	543,897
Corporate bonds	30	73,829	57,699
Treasury bonds	31	518,686	285,013
Treasury bills	32	64,070	62,399
Commercial papers	33	57,938	29,751
Loan and advances to third parties	34	29,936	33,935
Mortgage loans	35	32	11
Inventory	36	245	275
Advances to contractors	37	3,400	6,385
Dividend and other income receivable	38	13,423	8,870
Other assets	39	22,138	10,083
Due to/(Due from) other schemes	40	0	0
Deposits with financial institutions	41	268,100	279,136
Cash and bank balances	42	127,565	203,149
Total assets		<u>2,059,347</u>	<u>1,776,413</u>
Less: Liabilities			
Amounts retained on construction contracts		2,526	1,453
Benefits payable		37,271	29,204
Other payables	43	16,860	19,920
Deferred income	44	1,305	837
Total liabilities		<u>57,962</u>	<u>51,415</u>
Net assets available for benefits		<u>2,001,385</u>	<u>1,724,998</u>
Represented by:			
Capital		1,232	1,232
Retained earnings and Accumulated member funds	45	967,819	816,494
Revaluation reserve	46	94,982	94,982
Fair value reserve	47	(37,837)	(20,590)
Unallocated pension contributions reserve	49	2,154	1,964
Statutory reserves	48	934,200	803,259
Ejo Heza member Savings	50	38,835	27,656
Total reserves and member funds		<u>2,001,385</u>	<u>1,724,998</u>

The financial statements were approved by the Board of Directors on *13th October 2023* and signed on its behalf by:


Mr. Regis RUGEMANSHURO
Chief Executive Officer


Mr. Marcel MUKESHIMANA
Ag Chairperson – Board of Directors

The notes on pages **17 to 182** form an integral part of these financial statements.



3.3. Statement of changes in members' funds and reserves

	Capital	Occupational hazard reserves	Pension reserves	Accumulated member funds and retained earnings	Ejo Heza member funds	Fair value reserve	Revaluation reserve	Unallocated pension contributions reserve	Total
	Frw' millions	Frw' millions	Frw' millions	Frw' millions	Frw' millions	Frw' millions	Frw' millions	Frw' millions	Frw' millions
As at 1 July 2021	1,232	88,780	615,973	711,207	14,837	(30,281)	85,688	1,910	1,489,346
Prior year adjustment	0	(15,636)		15,698	0	0	0	0	62
Net income for the year	0	2,588	111,553	102,742		9,691	9,294	0	235,868
Net increase in Ejo Heza member savings	0	0	0	(13,152)	13,152	0	0	0	0
Net increase in Ejo Heza unallocated member funds					(333)				(333)
Revaluation of property	0	0	0	0	0	0	0	0	0
Reclassification of unallocated pension contributions from other payables to reserves	0	0	0	0	0	0	0	(7)	(7)
Additional unallocated pension contributions	0	0	0	0	0	0	0	172	172
Allocation of previously unallocated contributions during the year	0	0	0	0	0	0	0	(111)	(111)
As at 30 June 2022	1,232	75,732	727,527	816,494	27,656	-20,590	94,982	1,964	1,724,998
Prior year adjustment	0	0		(55)	0	0	0	0	(55)
Net income for the year	0	2,790	128,151	162,499		(17,247)	0	0	276,193
Net increase in Ejo Heza member funds					11,120				0
Net increase in Ejo Heza unallocated member funds					59				59
Revaluation of property	0	0	0	0	0	0	0	0	0
Reclassification of unallocated pension contributions from other payables to reserves	0	0	0	0	0	0	0	0	0
Additional unallocated pension contributions	0	0	0	0	0	0	0	282	282
Allocation of previously unallocated contributions during the year	0	0	0	0	0	0	0	(93)	(93)
As at 30 June 2023	1,232	78,522	855,678	967,819	38,835	-37,837	94,982	2,154	2,001,385

The notes on pages 17 to 182 form an integral part of these financial statements.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

3.4. Statement of cash flows

	2023 Frw' millions	2022 Frw' millions
Cash flows from operating activities:		
Increase in net assets for the year	276,193	233,742
Adjusted for:		
Depreciation and amortization	2,206	1,515
Investment income	(124,619)	(95,128)
Realized loss on disposal of assets (equity investments, PPE, Assets held for sale and Investment properties)	657	2,428
Change in fair value of equity investments	17,247	(9,691)
Change in fair value of investment properties	0	(7,168)
Write-back/write-offs	0	1,061
Unrealised foreign exchange loss	0	(100)
Government grants	(14,013)	(8,835)
Impairment provision (IFRS 9 ECLs)	575	691
Adjustment of opening balances	54	(231)
In-kind expenditure	0	0
In-kind income	0	0
Operating income for changes in working capital	158,301	118,286
(Increase)/Decrease in advance to contractors	3,051	574
(Increase)/Decrease in other assets	(12,174)	(2,912)
(Increase)/Decrease in amounts due from/(due to) other schemes	(0)	0
(Increase)/Decrease in inventory	31	14
Increase/(Decrease) in medical/maternity claims payables	8,067	983
Increase/(Decrease) in other payables	(3,053)	3,205
Increase/(Decrease) in contract retentions	1,073	495
Increase/(Decrease) in deferred income	468	155
Increase in unallocated pension contributions reserve	248	8
Net cash flows from operating activities	156,011	120,809
Cash flows used in investing activities:		
Dividend income received	19,497	8,713
Rent received	3,691	3,646
Other interest income received (current accounts, call deposit and mortgage loans)	8,096	6,787
Purchases for investment property under construction	(10,638)	(4,347)
Purchase of property and equipment	(2,715)	(86)
Purchase of intangible asset	0	(9)
Purchase of investment properties	(27,155)	(3,002)
Purchase of equity investments	(86,948)	(76,085)
Proceeds from disposal of Equity investments	3,849	0
Purchase of Corporate bonds	(15,500)	(34,000)
Receipts from settlement of Corporate bonds (Interest and principal)	7,438	4,206
Receipts from Treasury bond - coupon interest income received	63,965	44,590
Receipts from Treasury bill maturities (Interest and principal)	94,325	144,537
Receipts from Commercial papers maturities (principal and interest)	4,628	15,930
Investment in Treasury bonds	(254,684)	(100,068)
Investment in Treasury bills	(91,808)	(104,184)
Investment in Commercial papers	(27,324)	(13,085)
Receipts from settlement of loans and advances to third parties	3,987	1,876
Additional loans and advances to third parties during the year	0	0
Increase/(Decrease) in mortgages	27	74

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	Frw' millions	Frw' millions
Placement of term deposits during the year	(160,481)	(197,683)
Settlement of term deposits during the year	198,237	236,654
(Increase)/Decrease in call deposit	0	0
	0	0
Refund of prior year purchase of Investment properties - Rusororo plots		
Proceeds from disposal	<u>23,983</u>	<u>4,079</u>
Net cash used in investing activities	(245,529)	(61,456)
Cash flows from financing activities:		
Government grants	13,934	9,336
Government grants refunded	0	0
Increase in unidentified member contributions	0	0
Net cash from financing activities	13,934	9,336
Net increase in cash and cash equivalents	(75,584)	68,688
Cash and cash equivalents at 1 July	<u>203,149</u>	<u>134,461</u>
Cash and cash equivalents at 30 June	<u>127,565</u>	<u>203,149</u>

The notes on pages 17 to 182 form an integral part of these financial statements.

4. NOTES TO THE FINANCIAL STATEMENTS

1. Reporting entity

Rwanda Social Security Board was established by Law n° 45/2010 of 14/12/2010 establishing Rwanda Social Security Board (RSSB) as modified and complemented by Law n° 04/2015 of 11/03/2015 which was replaced by Law No. 009/2021 of 16/02/2021.

The Board runs the following schemes under one management with each scheme governed by a specific law:

- Pension and Occupational hazards scheme
- Medical scheme
- Community Based Health Insurance (CBHI) scheme
- Maternity Leave scheme
- Long term savings scheme (*Ejo Heza*): Prime Minister Order No.58 of 4/04/2018 - Determining the administrator of the Long-term savings scheme appointed RSSB as the administrator of the Long-term saving scheme.

RSSB is required to manage and promote social security in Rwanda and provide health insurance, as defined under **two broad categories** below:

1) Social security in Rwanda

- Old age pension, survivorship benefits, nonoccupational invalidity benefits (Pension scheme)
- Occupational hazards insurance (Occupational Hazards scheme)
- Maternity leave benefits scheme
- Long-term saving scheme

2) Health insurance

- Community-based health insurance scheme
- Medical insurance scheme

2. Basis of accounting

a) Statement of compliance

The financial statements of the Board have been prepared in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards). These are separate financial statements and are not consolidated, as would be required by *IFRS 10: Consolidated Financial Statements*, in respect of the investees over which the Board exercises control. The directors, in their judgment believe that despite this deviation, the financial statements provide reliable and useful information to its stakeholders.

Under paragraph 4B of IFRS 10, a parent entity that is an Investment entity is exempt from consolidation if that entity measures interests in subsidiaries at fair value through profit or loss (FVTPL). Paragraph 27 of IFRS 10 requires a parent entity to determine if it is an investment entity. An investment entity is an entity that:

- 1) Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Basis of accounting (Continued)

Statement of compliance (Continued)

2) Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and

3) Measures and evaluates the performance of substantially all of its investments on a fair value basis.

Accordingly, the directors have determined RSSB to be an investment entity as its mandate includes the management of funds on behalf of contributing members to ensure the following.

1) Collects and invests funds contributed by fund members providing investment management services over investments made on behalf of contributing members with aim of ensuring that long term fund obligations to contributing members are met as and when they fall due.

2) Commits to contributing members to invest funds solely for returns from capital appreciation, investment income or both.

3) And measures the performance of substantially all of its investments on a fair value basis.

The directors have thus chosen to apply the exemption from consolidation under paragraph 4B of IFRS 10 and to account for RSSB interests in entities that qualify to be subsidiaries at fair value through profit or loss.

In addition, under paragraph 18 of IAS 28, when an investment in an associate or a joint venture is held by, or is held indirectly through, an entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the entity may elect to measure investments in those associates and joint ventures at fair value through profit or loss in accordance with IFRS 9. RSSB as an investment entity has elected to measure its associates and joint ventures at fair value through profit or loss. The companies in which the Board has interests/shareholding and a summary of their key financial data are disclosed in note 28 to these financial statements.

The Board has carefully evaluated the mandatory consolidation requirements under paragraphs IFRS 10.B85E, IFRS 10.B85C and IFRS 10.B85D to the exemptions under paragraph 4B of IFRS 10 and are satisfied that these requirements have been complied with.

b) Basis for measurement

The financial statements are prepared under the historical cost basis except where otherwise mentioned in the policy notes. Financial assets including equity investments designated at fair value through profit or loss, investment properties, land and buildings and assets held for sale have been measured at fair value.

3. Functional and presentation currency

The financial statements are presented in Rwanda francs (Frw), which is the Board's functional currency and all values are presented in millions ('000,000), except where otherwise indicated.

4. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Board's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below;

Financial assets measured at amortised cost

Critical estimates are made by the directors in determining the recoverable amount of financial assets. The carrying amount of financial assets receivables is set out in Note 55(c) - Credit risk. Financial assets at amortised cost include corporate bonds, treasury bonds, treasury bills, commercial papers, loans and advances to third parties, mortgage loans, advances to contractors, dividend and other income receivable, other assets, deposits with financial institutions, Bank balances.

Investment Properties

The directors have made assumptions and judgements in estimating fair value of investment property (see note 7 and note 26)

Property and equipment

The directors have made assumptions and judgements in estimating fair value of land and buildings reported under property and equipment (see note 7 and note 24)

Equity investments

The directors have made assumptions and judgements in estimating fair value of equity investments (see note 7 and note 29).

In the process of applying the Branch's accounting policies, management has made judgments in determining:

- Investment entity - The board has determined that it is an investment entity as defined in IFRS 10: Consolidated Financial Statements (see note 2 – Statement of compliance)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Basis of accounting (Continued)

5. Significant accounting policies

Significant accounting policies set out below have been applied consistently to all periods presented in the financial statements.

a) Members' funds

The Board is funded through contributions from members and investment income. Contributions are accounted for as follows:

(i) Contributions from members

Contributions from employees remitted by the employers are recognized on a cash basis. Contributions due but not yet received at the end of the financial year are not accrued. They are accounted for and recognized in subsequent years when received. The contributions remitted by employers for Pension, medical and maternity are based on the respective laws for pension, medical and maternity schemes. Contributions for CBHI are remitted directly by the beneficiaries and from other sources of income as defined by the law.

(ii) Benefit payments to members

Benefits to members are accounted for on an accrual basis. Benefit payments made but not collected by members are written back in the cash book and no liability thereof recognized in the financial statements.

(iii) Actuarial valuation

The available actuarial valuation for the pension, occupational hazards and medical benefit insurance schemes was performed using the financial information of the Board as at 30 June 2020 and incorporated projections for a 50 year period to 2070. See details in note 53.

The available actuarial valuation for the maternity leave scheme was performed using the financial information of the Board as at 30 June 2022 and incorporated projections for a 50 year period to 2072. The policy of the Board is to carry out actuarial valuations every three years. See details in note 143.

The policy of the Board is to carry out actuarial valuations every three years.

b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Board and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The following specific recognition criteria must also be met before revenue is recognized.

(i) Interest income

For all financial instruments measured at amortised cost, interest income or expense is recorded using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

(ii) Dividends

Dividend income is recognised when the right to receive dividends is established.

(iii) Rental income

Rental income from investment properties is recognized in the statement of comprehensive on the straight-line basis over the term of the property lease.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Significant accounting policies (Continued)

b) Revenue recognition continued

(iv) Other income

Other income comprises gains less losses related to trading assets and liabilities and includes gains from disposal of Board's assets and all realised and unrealised foreign exchange differences.

c) Foreign currencies

Transactions in foreign currencies during the year are translated into Rwanda francs at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Rwandan francs at the exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to Rwandan francs at the date when the fair value was determined. Foreign currency gains and losses arising from translation are recognised in the statement of comprehensive income for the year.

d) Financial instruments

Financial Assets

i) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, Fair Value through Other Comprehensive Income (FVOCI) or Fair Value Through Profit/Loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the RSSB may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the RSSB may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Business model assessment

The RSSB makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the RSSB's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the RSSB's stated objective for managing the financial assets is achieved and how cash flows are realised.

The RSSB's business comprises primarily investment in commercial entities for earning dividends, corporate bonds and government paper (treasury bills and bonds) loans to customers that are held for collecting contractual cash flows.

Certain debt securities are held by the RSSB in a separate portfolio for long-term yield. These securities may be sold, but such sales are not expected to be more than infrequent. The RSSB considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Certain other debt securities are held by the RSSB in separate portfolios to meet everyday liquidity needs. The RSSB seeks to minimise the costs of managing these liquidity needs and therefore actively manages the return on the portfolio. That return consists of collecting contractual cash flows as well as gains and losses from the sale of financial assets. The investment strategy often results in sales activity that is significant in value. The RSSB considers that these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

In assessing whether the contractual cash flows are SPPI, the RSSB considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the RSSB considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the RSSB's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Equity instruments have contractual cash flows that do not meet the SPPI criterion. Accordingly, all such financial assets are measured at FVTPL unless the FVOCI option is selected.

The Board's classification of financial assets is summarized below

Business Model	Business Objective	Characteristics	Products
Hold to collect	Intent to originate financial assets and hold them to maturity, collecting the contractual cash flows over the term of the instrument	<ul style="list-style-type: none"> ▪ Providing financing and originating assets to earn interest income as a primary income stream. ▪ Performing credit risk management activities ▪ Costs include funding costs, transaction and impairment losses 	Corporate bonds, Treasury bonds, Treasury bills, commercial papers, loans and advances to third parties, mortgage loans, advances to contractors, dividend and other income receivable, other assets, deposits with financial institution and Cash and bank balances,
Hold to collect and sell	Business objective met through both hold to collect and by selling financial assets	<ul style="list-style-type: none"> ▪ Portfolio held for liquidity needs; or where a certain interest yield profile is maintained; or that are normally rebalanced to achieve matching of duration of assets and liabilities. ▪ Income streams come from interest income, fair value changes 	None

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Business Model	Business Objective	Characteristics	Products
		and impairment losses	
Fair value through profit or loss	All other business objectives, including trading and managing financial assets on fair value basis	<ul style="list-style-type: none"> ▪ Assets held for trading ▪ Performance of portfolio is evaluated on a fair value basis ▪ Income streams are from fair value changes or trading gains and losses 	None
Fair value through other comprehensive income	Objective is achieved by both collecting contractual cash flows and selling financial assets.	<ul style="list-style-type: none"> ▪ Hold the financial asset for the longer term ▪ It is not held for trading ▪ An irrevocable election is made at initial acquisition 	None

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the RSSB changes its business model for managing financial assets.

ii) Derecognition

The RSSB derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the RSSB neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the RSSB is recognised as a separate asset or liability.

The RSSB enters into transactions whereby it transfers assets recognised on its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised.

When assets are sold to a third party with a concurrent total return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, because the RSSB retains all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which the RSSB neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the RSSB continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

In certain transactions, the RSSB retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

Financial Liabilities

The RSSB derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

iii) Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the RSSB evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the RSSB plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the RSSB first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method or management may elect to present it as a separate item on the Statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Financial liabilities

The RSSB derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-

financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument

Interest rate benchmark reform (policy applied from 1 January 2020)

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the RSSB updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the RSSB first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the RSSB applies the policies on accounting for modifications set out above to the additional changes.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the RSSB currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the RSSB's trading activity.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

v) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the RSSB has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the RSSB measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the RSSB uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the RSSB determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of/ the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the RSSB measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the RSSB on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments – e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The RSSB recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

vi) Impairment

The RSSB recognises loss allowances for Expected Credit Loss (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued; and
- mortgage loan commitments issued.

RSSB has recognized impairment loss on equity investments

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

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

The RSSB considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired. Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the RSSB expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the RSSB if the commitment is drawn down and the cash flows that the RSSB expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the RSSB expects to recover.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows.

If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.

If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the RSSB assesses whether financial assets carried at amortised cost, debt financial assets carried at FVOCI and finance lease receivables are credit impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past-due event;
- the restructuring of a loan or advance by the RSSB on terms that the RSSB would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the RSSB considers the following factors.

- The market's assessment of creditworthiness as reflected in bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision; and
- where a financial instrument includes both a drawn and an undrawn component, and the RSSB cannot identify the ECL on the loan commitment component separately from those on the drawn component: the RSSB presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Write off

Mortgage loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the RSSB determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the RSSB's procedures for recovery of amounts due.

vii) Designation at fair value through profit or loss

Financial assets

On initial recognition, the RSSB has designated certain financial assets as at FVTPL because this designation eliminates or significantly reduces an accounting mismatch, that would otherwise arise.

Equity instruments at FVOCI

Upon initial recognition, the RSSB occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the RSSB benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial liabilities

The RSSB has not designated any financial liabilities as at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

e) Equity Investments

Under IAS 27: Separate Financial Statements, when separate financial statements are prepared, an entity accounts for investments in subsidiaries, associates and joint ventures either at:

- Cost
- In accordance with IFRS 9, or
- Using the equity method described in IAS 32

As an investment entity under IFRS 10, RSSB is expected to measure and evaluate the performance of substantially all of its investments on a fair value basis. RSSB also elected to measure investments in associates and joint ventures at fair value through profit or loss. Accordingly, all equity investments are accounted for on fair value basis. The classification for the respective investments have been done in accordance with IFRS 9. The measurement of fair value was determined in accordance with IFRS 13: Fair value measurement.

For the purpose of these financial statements, the Board has measured all equity investments (except those that are publicly listed and equity investments in preference shares) using the net asset valuation method restricted to the shareholding of RSSB in the respective investments. The directors believe that this basis of valuation provides the most relevant estimate of the worth of these investments.

f) Property and equipment

Initial recognition and measurement

Property and equipment is initially recognised at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of replacing part of an item of property and equipment is recognized in the carrying value of the item if it is probable that the future economic benefits embodied within the part will flow to the Board and its cost can be measured reliably. The carrying value of the replaced part is de-recognised. The cost of day to day servicing of the property and equipment is recognized in the profit or loss as incurred.

Subsequent measurement

IAS 16 permits an accounting entity to choose the cost or revaluation model as its accounting policy for subsequent measurement of property and equipment. The accounting standard requires the accounting entity to apply the chosen model consistently across a class of property and equipment.

The Board has chosen the **revaluation model** for the class of land and buildings and the cost model for the rest of the classes of property and equipment i.e. office equipment, motor vehicles, furniture and fittings, computers, laboratory, and kitchen equipment.

— Revaluation model

Land and buildings are subsequently measured at revalued amounts. It is the policy of the Board to revalue assets under the class of land and buildings once in two years by internal valuation committee and once in four years by an independent certified valuer. Revalued amounts of assets determined at revaluation are compared to carrying values and are written statup or down to match revalued amounts. Accordingly, the resultant, revaluation surplus or deficit is recognised as part of other comprehensive income during the year of revaluation and accumulated under:

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Property and equipment (Continued)

the revaluation reserve. Assets are then subsequently measured at revalued amounts less accumulated depreciation until the next revaluation or until de-recognition of the asset.

— Cost model

Other classes of assets excluding land and building are measured subsequently at cost less accumulated depreciation.

Depreciation expense

Depreciation is recognized in the statement of comprehensive income and calculated to write off the cost/revalued amounts of the property and equipment on a straight line basis over the expected useful lives of the assets concerned. Land is not depreciated. The estimated depreciation rates for the current and comparative periods are as follows:

Class	Depreciation rate
Buildings	5%
Office equipment	20%
Motor vehicles	25%
Furniture and fittings	10%
Computers	50%
Kitchen equipment	25%
Laboratory equipment	25%

Management and directors review the depreciation methods, residual value and useful life of an asset at the year end and any change considered to be appropriate is recorded in surplus or deficit as a change in estimates.

De-recognition

Assets are de-recognised through disposal at sale or Board approved write off. Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying value of property and equipment and recognized net within other income in profit or loss. At disposal of revalued assets, the revaluation surplus of revalued assets is transferred from the revaluation reserve to retained earnings.

g) Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Significant Accounting Policies (Continued)

Intangible (Continued)

Amortisation

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income in the expense category consistent with the function of the intangible asset. There are no intangible assets with indefinite useful lives. Intangible assets are amortised at a rate of 50%.

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income when the asset is derecognised.

h) Investment properties

Initial recognition

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Subsequent measurement

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date.

Gains or losses arising from changes in the fair values of investment properties are included in surplus or deficit in the period in which they arise. Fair values are evaluated every after five years by an accredited external, independent valuation expert.

De-recognition

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in surplus or deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. When the use of property changes from owner occupied to investment property, the property is re-measured at fair value and reclassified as investment property. Any gain arising on revaluation is recognized through other comprehensive income. Any loss arising on revaluation is recognized through the surplus or deficit.

i) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on first-in-first out (FIFO) principle and includes the expenditure incurred in acquiring the inventory, and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses or the replacement cost as appropriate.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Significant Accounting Policies (Continued)

j) Impairment of non-financial assets

The carrying amounts of the Board's non-financial assets other than investment properties and inventories and are reviewed at each reporting date to determine whether there is any indication of impairment. If such condition exists, the asset's recoverable amount is estimated, and an impairment loss recognised in surplus or deficit whenever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and impairment loss is reversed only to the extent that the assets' carrying amount that would have been determined net of depreciation or amortization if no impairment loss was recognized.

k) Provisions

A provision is recognised if, as a result of a past event, the Board has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where the Board expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

l) Tax

The Board is exempt from corporate income tax under Article 46 of law No.14/2018 of 13/04/2018. Revenue, expenses, and assets are recognised net of the amount of value added tax except:

- where the value added tax incurred on a purchase of assets or rendering of services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of value added tax included

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of accounts receivables or account payables in the statement of financial position.

m) Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost subsequent to initial recognition. For the purposes of the statement of cash flows, cash and cash equivalents comprises of cash and bank that are available on demand as at the reporting date.

n) Capital work-in-progress

The ongoing construction/installation of capital projects are recorded at the cost to date or valuation and are only transferred into the relevant assets categories once completed and commissioned. No depreciation is computed on capital work-in-progress as these assets are not yet available for use. However, an expected impairment loss on capital work-in-progress is recognized immediately in surplus or deficit. Currently, capital work in progress consists of Investment properties under construction and IT modernisation project.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Significant Accounting Policies (Continued)

o) Leases

RSSB has applied IFRS 16 – Leases on 1 July 2019 using the modified retrospective approach. The adoption of IFRS 16 did not have a significant impact on the RSSB's financial statements.

Policy applicable from 1 July 2019

At inception of a contract, RSSB 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. To assess whether a contract conveys the right to control the use of an identified asset, the Board uses the definition of a lease in IFRS 16. This policy is applied to contracts entered into (or changed) on or after 1 July 2019.

RSSB acting as a lessee

At commencement or on modification of a contract that contains a lease component, the Board allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. The Board has elected to separate non-lease components and account for the lease and associated non-lease components separately. The Board recognises 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 branch 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 Board's incremental borrowing rate. Generally, the Board uses its incremental borrowing rate as the discount rate. The Board determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the 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 Board is reasonably certain to exercise, lease payments in an optional renewal period if the Board is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Board 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 Board's estimate of the amount expected to be payable under a residual value guarantee, if the Board 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 Board presents right-of-use assets and lease liabilities in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

Short-term leases and leases of low-value assets

RSSB has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Board recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. All leases for RSSB during the year ended 30 June 2021 were low value in nature.

p) Statutory reserves

The statutory reserves are set up under article 11 of law number 06/2003 of 22 March 2003 modifying and completing law of 22/08/1974. The article stipulates that the National Social Security Institutions provide the following reserves for both the occupational hazards and pensions branches.

Pension's branch statutory reserve

This comprises the working capital and technical reserves as explained below:

Working capital reserve is equivalent to a quarter of the total expenses of the pension's branch previous year. Technical reserve should not be lower than the total expenses of the branch for the current three years.

Occupational Hazards branch statutory reserve

This comprises the occupational hazards technical, security and working capital reserves as explained below:

Technical reserve must be equal to the total amount of occupational hazards paid during the year. Security reserve is equal to a quarter of the expenses incurred during the last three years. Working capital reserve should be equal to a quarter of the expenses of the previous year.

6. New standards or amendments and forthcoming requirements

i) New and currently effective requirements

The following standards or amendments issued by the International Accounting Standards Board (IASB) are effective for accounting periods beginning on or after 1 July 2022:

New amendments or interpretation	Effective for Board's annual periods beginning on or after
Onerous Contracts	1 July 2022
Annual Improvements to IFRS Standards 2018-2020	1 July 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 July 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 July 2022

The adoption of the above standards and amendments did not have a significant effect on the results of the Board.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

i) New and currently effective requirements

Onerous Contracts: Cost of Fulfilling a Contract (Amendments to IAS 37)

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, issued by the International Accounting Standards Board, clarify that the 'costs of fulfilling a contract' when assessing whether a contract is onerous comprise both:

- 1 the incremental costs – e.g. direct labour and materials; and
- 2 an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

The amendments apply for annual reporting periods beginning on or after 1 January 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments will be recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives will not be restated. Earlier application is permitted.

The amendments did not have a material impact on the Board's performance.

Annual Improvements to IFRS Standards 2018-2020

▪ IFRS 1 First-time Adoption of International Financial Reporting Standards	The amendment permits a subsidiary (as a first-time adopter of IFRS that applies IFRS later than its parent) that applies IFRS 1.D16(a) to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
▪ IFRS 9 Financial Instruments	The amendment clarifies that for the purpose of performing the "10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.
▪ IFRS 16 Leases	The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive.
▪ IAS 41 Agriculture	The amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

i) New and currently effective requirements

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Proceeds from selling items before the related item of property, plant and equipment is available for use should be recognised in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs.

The board will therefore need to distinguish between:

- costs associated with producing and selling items before the item of property, plant and equipment is available for use; and
- costs associated with making the item of property, plant and equipment available for its intended use.

Making this allocation of costs may require significant estimation and judgement.

The amendments apply for the annual reporting periods beginning on or after 1 January 2022, with earlier application permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

The adoption of these amendments did not have a material impact on the financial statements of the Board.

Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendment has:

- updated IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;
- added to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and
- added to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendment is effective for annual periods beginning on or after 1 July 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The adoption of these amendments did not have a material impact on the financial statements of the Board.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Significant Accounting Policies (Continued)

New standards or amendments and forthcoming requirements (Continued)

ii) New and amended standards and interpretations in issue but not yet adopted

At the date of authorisation of the financial statements of Rwanda Social Security Board for the year ended 30 June 2023, the following Standards and Interpretations were in issue but not yet effective.

New amendments or interpretation	Effective for the Board's annual periods beginning on or after
— IFRS 17 Insurance Contracts and related amendments to IFRS 17 Insurance Contracts	1 July 2023
— Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 July 2024
— Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption/effective date deferred indefinitely
— Definition of Accounting Estimate (Amendments to IAS 8)	1 July 2024
— Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 July 2024

IFRS 17 Insurance Contracts (and its related amendments)

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as:

- Reinsurance contracts held;
- Direct participating contracts; and
- Investment contracts with discretionary participation features.

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or OCI.

The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements.

The entity is in the process of determining the impact of IFRS 17 and will provide more detailed disclosure on the impact in future financial statements.

The standard is effective for annual periods beginning on or after 1 January 2023. Early adoption is permitted only if the entity applied IFRS 9.

The adoption of this standard and the related amendments is expected to have a material impact on the Board.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

New standards or amendments and forthcoming requirements (Continued)

New and amended standards and interpretations in issue but not yet adopted (Continued)

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

The amendments are to be applied retrospectively from the effective date.
The standard is effective for annual periods beginning on or after 1 January 2024.

The amendments are not expected to have a material impact on the financial statements of the Board..

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised.

The IASB has decided to defer the effective date for these amendments indefinitely. Early Adoption is still permitted.

When a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting.

Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV. In either case, the loss is recognised in full if the underlying assets are impaired.

In response to this conflict and the resulting diversity in practice, on 11 September 2014 the IASB issued Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

The Board continues to assess the likely impacts of these amendments as they could potentially be significant.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

New standards or amendments and forthcoming requirements (Continued)

New and amended standards and interpretations in issue but not yet adopted

Definition of accounting estimates (Amendments to IAS 8)

The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

Developing an accounting estimate includes both:

- Selecting a measurement technique (estimation or valuation technique) for example: an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and
- Choosing the inputs to be used when applying the chosen measurement technique for example: the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The effects of changes in such inputs or measurement techniques are changes in accounting estimates.

The definition of accounting policies remains unchanged.

The standard is effective for annual periods beginning on or after 1 January 2023.

The amendments are not expected to have a material impact on the Board.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

In October 2018, the Board refined its definition of material to make it easier to understand and apply. This definition is now aligned across IFRS Standards and the Conceptual Framework.

*“Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the **primary users** of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.”*

The refined definition of material complements the non-mandatory IFRS Practice Statement 2 guidance the Board issued in 2017, which outlines a four-step process (summarised as identify, assess, organise and review) that preparers can use to help them make materiality judgements and provides guidance and examples on how to make materiality judgements in preparing their financial statements.

The Board has recently issued amendments to IAS 1 *Presentation of Financial Statements* and an update to IFRS Practice Statement 2 *Making Materiality Judgements* to help companies provide useful accounting policy disclosures.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

New standards or amendments and forthcoming requirements (Continued)

New and amended standards and interpretations in issue but not yet adopted

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) Continued

The key amendments to IAS 1 include:

- requiring companies to disclose their *material* accounting policies rather than their *significant* accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures.

The amendments are consistent with the refined definition of material:

"Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements".

The amendments are effective from 1 January 2023 but may be applied earlier. The amendments are not expected to have material effect on the financial statements and related disclosures of the Board.

RSSB has not early adopted these standards. All standards and Interpretations will be adopted at their effective date (except for those standards and Interpretations that are not applicable to the entity). The adoption of these amendments are not expected to have a material impact on the financial statements of the Board.

7. Determination of fair value

i) Fair value measurement

Fair values of cash and deposits with commercial banks, trade receivables, loans and advances and other payables reasonably approximate their carrying amounts largely due to the short-term maturities of these instruments and/or because they carry interest rates that reasonably approximate to market rates.

The carrying amounts of equity securities held for trading and at fair value through profit or loss are the same as their fair values since the instruments are presented at fair value.

ii) Valuation hierarchy

IFRS 13 requires a three-tiered disclosure for all financial assets and financial liabilities that are carried in the books of entities at fair value. This fair value disclosure is divided into three levels as follows:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Determination of fair value (Continued)

Valuation Framework (Continued)

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities e.g. quoted equity securities.

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (e.g. prices) or indirectly (e.g. derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data. These items are not Level 1 products and contain at least one significant input parameter which could not be price tested from any of the methods described for Level 2 products. Examples are products where correlation is a significant input parameter and products where there is severe illiquidity in the markets for a prolonged period of time.

a) Valuation models

The Board measures fair values using their fair value hierarchy which reflects the significance of inputs used in making the measurements.

Level 1 – inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2 – inputs other than quoted market prices included within level 1 that are observable either directly (like prices) or indirectly (derived prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

b) Valuation Framework

The Board has established clear guidelines on how fair value is to be determined for all assets and liabilities measured at fair value. These guidelines are included in the board's operational manuals. The fair value of both financial/non-financial assets and fair values have been determined for measurement and/or disclosure purposes based on the methods below:

(i) Investment properties and Administrative land and buildings

The Board uses an external independent valuation company with recognized professional qualification experience and values the Board's investment properties after every five years (previously on an annual basis). The fair values are based on the market conditions being the price that would be received to sell an asset in an orderly transaction between market participants on the measurement date. In the absence of an active price in an active market, the values are prepared by using three methods of valuation – the direct comparison method, the replacement cost method and income capitalisation method.

a) The direct comparison method: Under this method, the estimated market value of the asset is related to value of a known comparable property whereby the latter's value is taken to be the best price that can be obtained by the property being valued with due allowance being made for value affecting differences such as: location, level and amount of services provided, accessibility, size, cyclical patterns in the local and regional property markets, development conditions discerned from land titles, date of transaction, condition (in case of buildings), sales data, tenure and unexpired term.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Determination of fair value (Continued)

Valuation Framework (Continued)

- b) **The replacement cost method:** This method is a method of last resort in the event of the absence of an active market or related market (under the direct comparison method). Under this method, the estimated value of the property is made in relation to what it will cost to acquire the asset at current price. The basic premise/assumption being that no prudent investor would pay for an asset on offer more than it would cost to acquire the asset new by undertaking property development. The valuation is thus based on the current cost of constructing a similar building capable of performing the same function as the asset being valued. Since the subject asset's life will have been relatively consumed with its age, then the cost estimate is then adjusted to reflect the consumed life. This method was applied in determining value for some investment properties and administrative buildings classified under the property and equipment class – land and buildings. This class of property and equipment is accounted for using the revaluation model in accordance with the requirements of IAS 16: Property, Plant and Equipment.
- c) **Investment method/ Income Capitalization method:** This method estimates market value of the property-based income earned from the property. The value of the property under this method is determined by how much rental income the property generates. The market value of each property is determined by considering the annual market rent income of the property and an estimated multiplier/capitalisation factor (referred to as *years purchase*, YP). The capitalisation rate and multiplier are determined by the valuation experts based on the market for similar property. This method was applied in determining value for some investment properties.

(ii) Valuation of Land

The valuation for land was based on estimated land prices for specific locations across the country and value was determined by multiplying the land size with the estimated price per square metre. The estimated value of land forms part of the estimated fair value for investment properties and property, plant and equipment.

(iii) Investment in debt and equity securities

The fair value of financial assets at fair value through profit or loss, held-to-maturity investments and available for sale is determined by reference to their quoted bid price at the reporting date if available. The fair value for non-quoted equity instruments has been determined using the net asset value methodology and the fair value of held to maturity investments is determined using the discounted cash flow methodology.

(i) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. The fair value of trade and other receivables is determined at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Determination of fair value (Continued)

c) Assets measured at fair value

As at 30 June 2023

The table below shows the assets measured at fair value and their relevant fair hierarchy.

	Level 1	Level 2	Amount not measured at fair value	Total as per statement of financial position
	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Property and equipment	-	12,923	2,032	14,955
Investment properties	-	230,118	-	230,118
Equity investments	194,336	352,432	63,746	610,514
Total	194,336	595,473	65,778	855,587

As at 30 June 2022

	Level 1	Level 2	Amount not measured at fair value	Total as per statement of financial position
	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Property and equipment	-	13,534	866	14,400
Investment properties	-	227,604	-	227,604
Equity investments	175,449	306,183	62,266	543,897
Total	175,449	547,321	63,132	785,901

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Determination of fair value (Continued)

d) Financial assets and liabilities not measured at fair value

The tables below sets out the carrying values of financial assets and liabilities not measured at fair value:

30 June 2023

Schemes	Pension	Medical	CBHI	Maternity leave	Ejo Heza	Total
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Financial assets						
Corporate Bond	58,158	15,671				73,829
Treasury bonds	315,403	129,339	0	32,357	41,587	518,686
Treasury bills	9,568	32,434	19,711	2,356	0	64,070
Commercial papers	57,938					57,938
Loan and advances to third parties	3,825	26,111	0			29,936
Mortgage loans	32	-				32
Advances to contractors	3,370	30				3,400
Dividend receivable	12,356	1,067	0	0		13,423
Other assets	6,910	254	14,955	19		22,138
Due from/(Due to) other schemes	(6,294)	6,553	(27)	(232)		0
Deposits with financial institutions	117,007	134,757	0	12,395	3,941	268,100
Cash and bank balances	68,497	43,195	9,200	5,158	1,515	127,565
Total	646,769	389,410	43,840	52,053	47,043	1,179,115
Financial liabilities						
Amounts retained on construction contracts	2,452	69	4	0	0	2,526
Benefits payable	(0)	14,334	22,646	291	-	37,271
Other payables	2,080	993	13,375	211	202	16,860
Total	4,532	15,396	36,025	502	202	56,657

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

30 June 2022

Schemes	Pension	Medical	CBHI	Maternity leave	Ejo Heza	Total
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Financial assets held at amortised cost						
Corporate Bond	57,699	-	-	-	-	57,699
Treasury bonds	191,771	58,763	-	6,832	27,775	285,141
Treasury bills	22,383	38,046	-	1,970	-	62,399
Commercial papers	29,751	-	-	-	-	29,751
Loan and advances to third parties	5,140	28,795	-	-	-	33,935
Mortgage loans	11	-	-	-	-	11
Advances to contractors	6,355	30	-	-	-	6,385
Dividend receivable	8,649	222	-	-	-	8,870
Other assets	3,521	272	6,270	20	-	10,083
Due from / (Due to) other schemes	(1,116)	872	(34)	278	-	-
Deposits with financial institutions	121,948	131,318	-	23,260	2,611	279,136
Cash and bank balances	105,474	73,211	16,497	6,732	1,235	203,149
Total	551,586	331,526	22,734	39,093	31,621	976,560
Financial liabilities classified as other liabilities						
Amounts retained on construction contracts	1,387	63	3	-	-	1,453
Benefits payable	-	9,396	19,440	368	-	29,204
Other payables	2,858	1,055	15,761	102	145	19,920
Total	4,244	10,514	35,205	470	145	50,577

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The table below sets out the fair values of financial assets and liabilities measured at amortised cost

30 June 2023

Schemes	Level 1 Frw'millions	Level 2 Frw'millions	Level 3 Frw'millions	Total Fair value Frw'millions	Carrying amount Frw'millions
Financial assets					
Corporate Bond		73,829		73,829	73,829
Treasury bonds	-	518,686	-	518,686	518,686
Treasury bills	-	64,070	-	64,070	64,070
Commercial papers	-	57,938	-	57,938	57,938
Loan and advances to third parties	-	29,936	-	29,936	29,936
Mortgage loans	-	32	-	32	32
Advances to contractors	-	3,400	-	3,400	3,400
Dividend receivable	-	13,423	-	13,423	13,423
Other assets	-	22,138	-	22,138	22,138
Due from / (Due to) other schemes	-	0	-	0	0
Deposits with financial institutions	-	268,100	-	268,100	268,100
Cash and bank balances	-	127,565	-	127,565	127,565
Total	0	1,179,115	0	1,179,115	1,179,115
Financial liabilities					
Amounts retained on construction contracts	-	2,526	-	2,526	2,526
Benefits payable	-	37,271	-	37,271	37,271
Other payables	-	16,860	-	16,860	16,860
Total	0	56,657	0	56,657	56,657

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

30 June 2022

Schemes	Level 1 Frw'millions	Level 2 Frw'millions	Level 3 Frw'millions	Total Fair value Frw'millions	Carrying amount Frw'millions
Financial assets					
Corporate Bond	-	57,699	-	57,699	57,699
Treasury bonds	-	285,141	-	285,141	285,141
Treasury bills	-	62,399	-	62,399	62,399
Commercial papers	-	29,751	-	29,751	29,751
Loan and advances to third parties	-	33,935	-	33,935	33,935
Mortgage loans	-	11	-	11	11
Advances to contractors	-	6,385	-	6,385	6,385
Dividend receivable	-	8,870	-	8,870	8,870
Other assets	-	10,083	-	10,083	10,083
Due from / (Due to) other schemes	-	-	-	-	-
Deposits with financial institutions	-	279,136	-	279,136	279,136
Cash and bank balances	-	203,149	-	203,149	203,149
Total	-	976,559	-	976,559	976,559
Financial liabilities					
Amounts retained on construction contracts	-	1,453	-	1,453	1,453
Benefits payable	-	29,204	-	29,204	29,204
Other payables	-	19,920	-	19,920	19,920
Total	-	50,577	-	50,577	50,577

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Operating segments

8.1. Basis for Segmentation

Rwanda Social Security Board has the following five schemes as shown:

Reportable segments	Operations
Pension and Occupational hazard	Contributions from employers and employees in Rwanda and provides benefits to pensioners, invalids and other beneficiaries
Medical	Provides medical insurance services.
Community Based Health Initiative	Provides community-based health insurance scheme
Maternity	Provides maternity leave insurance services
Long term savings scheme (<i>Ejo Heza</i>)	Assisting the public to accumulate savings for a dignified and secure retirement. <i>Ejo Heza</i> is an inclusive scheme which targets both salaried and non-salaried workers

Although the schemes are overseen by the same management team, they have different objectives and are managed separately within the Board's management and internal reporting structure.

8.2. Contribution to performance

The below table shows key scheme ratios to RSSB as an entity.

2022/2023	Pension	Medical	CBHI	Maternity	Ejo Heza
Contributions	44%	25%	25%	3%	3%
Benefits Paid	27.43%	30.28%	41.06%	1.07%	0.17%
Investment income	59.2%	32.1%	1.1%	3.7%	3.9%
Assets	70%	23%	2%	3%	2%

2021/2022	Pension	Medical	CBHI	Maternity	Ejo Heza
Contributions	44%	23%	25%	3%	5%
Benefits Paid	28.76%	25.57%	44.47%	1.16%	0.04%
Investment income	63.2%	31.7%	0.5%	3.0%	1.8%
Assets	72%	23%	1%	2%	2%

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.3. Information about reportable segments

8.3.1. Statement of comprehensive income per scheme

	Pension Scheme			Medical Scheme			CBHI Scheme			Maternity Leave Scheme			Ejo Heza			Total		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Not	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli	Frw'milli
es	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons	ons
Dealing with members																		
Contributions	9	153,240	125,758	86,349	65,878	85,654	70,413	11,336	9,242	13,152	13,152	347,599	284,444					
Benefits paid	10	(45,854)	(41,292)	(30,657)	(36,712)	(68,651)	(63,855)	(1,788)	(1,602)	(62)	(62)	(167,197)	(143,583)					
Net additions from dealings with members		107,386	84,466	35,622	29,166	17,003	6,558	9,544	7,580	13,090	13,090	180,402	140,861					
Return on Investments																		
Investment income	11	79,577	62,144	35,141	26,659	1,317	588	4,049	3,075	2,661	2,661	124,619	95,128					
Change in fair value of financial assets at fair value through profit or loss	12	(16,588)	1,845	(658)	7,846	0	0	0	0	0	0	(17,247)	9,691					
Change in fair value of investment properties	13	0	7,325	0	(157)	0	0	0	0	0	0	0	7,168					
Realized (loss)/gain on disposal of assets	14	658	(3,427)	0	(0)	0	(0)	0	(0)	0	0	658	(2,428)					
Impairment loss on financial assets held at amortised cost	15	105	(227)	(375)	(342)	(114)	(76)	(173)	78	(124)	(124)	(575)	(691)					
Less: investment management expenses	16	(1,315)	(1,328)	(235)	(255)	0	0	0	0	(664)	(664)	(1,979)	(2,248)					
Net returns on Investments		62,436	67,331	33,873	33,750	1,202	512	3,876	3,153	1,873	1,873	105,475	106,620					
Grants	17	0	0	0	0	12,988	13,203	0	0	1,026	1,291	14,013	14,495					
Other income	18	6,291	2,014	1,398	382	1	0	1	1	0	0	7,691	2,396					
Expenditures																		
Staff costs	19	(2,130)	(1,926)	(2,283)	(2,141)	(6,226)	(5,849)	(252)	(233)	(860)	(860)	(11,614)	(11,010)					
Administrative expenses	20	(3,184)	(1,906)	(1,852)	(1,481)	(3,592)	(2,851)	(223)	(167)	(311)	(311)	(9,037)	(6,716)					
Depreciation and amortization charge	21	(789)	(814)	(1,207)	(619)	(159)	(39)	(2)	(3)	(40)	(40)	(2,206)	(1,516)					
Other expenses	22	351	(2,477)	(8,311)	(7,372)	(551)	(1,533)	(21)	13	0	0	(8,531)	(11,389)					
Total expenses		(5,772)	(7,123)	(13,653)	(11,614)	(10,528)	(10,293)	(499)	(390)	(1,210)	(1,210)	(31,389)	(30,630)					
Net income/(loss) for the year		170,341	146,688	57,240	51,684	20,667	9,981	12,926	10,344	15,019	15,019	276,193	235,868					
Other comprehensive income																		
Revaluation gain/(loss) on property and equipment	23	0	116	0	2,010	0	0	0	0	0	0	0	2,136					
Increase in net assets for the year		170,341	146,804	57,240	53,694	20,667	9,981	12,926	10,344	15,019	15,019	276,193	235,868					

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.3.2. Statement of financial position per scheme

	Notes	Pension Scheme		Medical Scheme		CBHI Scheme		Maternity Leave Scheme		Ejo Heza		Total	
		2023	Frw'millions	2022	Frw'millions	2023	Frw'millions	2022	Frw'millions	2023	Frw'millions	2022	Frw'millions
Assets													
Property and equipment	24	1,770	1,905	12,700	12,442	441	49	1	3	43	1	14,955	14,400
Intangible assets	25	1,512	1,514	1	2	1	2	0	0	219	255	1,732	1,774
Investment properties	26	217,588	215,075	12,530	12,530	0	0	0	0	0	0	230,118	227,604
Investment properties in the process of construction	27	22,668	12,031	0	0	0	0	0	0	0	0	22,668	12,031
Assets held for sale	28	0	0	0	0	0	0	0	0	0	0	0	0
Equity investments	29	549,723	487,095	60,792	56,802	0	0	0	0	0	0	610,514	543,897
Corporate bonds	30	58,158	57,699	15,671	0	0	0	0	0	0	0	73,839	57,699
Treasury bonds	31	315,403	191,767	129,339	58,763	0	0	32,357	6,832	41,587	27,651	518,686	385,013
Treasury bills	32	9,568	22,383	32,434	38,046	19,711	0	2,356	1,970	0	0	64,070	62,399
Commercial papers	33	57,938	29,751	0	0	0	0	0	0	0	0	57,938	29,751
Loan and advances to third parties	34	3,825	5,140	26,111	28,795	0	0	0	0	0	0	29,936	33,935
Mortgage loans	35	32	11	0	0	0	0	0	0	0	0	32	11
Inventory	36	77	87	72	81	88	99	7	8	0	0	945	275
Advances to contractors	37	3,370	6,355	30	30	(0)	(0)	(0)	(0)	0	0	3,400	6,385
Dividend receivable	38	12,356	8,649	1,067	222	0	0	0	0	0	0	13,423	8,870
Other assets	39	6,910	3,521	254	272	14,955	6,270	19	20	0	0	22,138	10,083
Due from/(Due to) other schemes	40	(6,394)	(1,116)	6,553	872	(27)	(34)	(232)	278	0	0	0	(0)
Deposits with financial institutions	41	117,007	121,948	134,757	131,318	0	0	12,395	23,260	3,941	2,611	268,100	279,136
Cash and bank balances	42	68,497	105,474	43,195	73,211	9,200	16,497	5,158	6,732	1,515	1,235	127,565	203,149
Total assets		1,440,106	1,269,288	475,504	413,383	44,370	22,884	52,061	39,104	47,305	31,754	2,059,347	1,776,413

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Notes	Pension Scheme		Medical Scheme		CBHI Scheme		Maternity Leave Scheme		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Net assets available for benefits	1,435,574	1,265,044	460,109	402,869	8,344	(12,320)	51,560	38,634	45,798	30,772	2,001,385	1,724,998
Represented by	53	53	1,179	1,179	0	0	0	0	0	0	1,232	1,232
Capital												
Accumulated member funds and retained earnings	45	471,384	429,568	371,670	8,344	(12,320)	51,560	38,634	6,964	3,116	967,819	816,494
Revaluation reserve	46	87,148	7,834	7,834	0	0	0	0	0	0	94,982	94,982
Fair value reserve	47	(59,364)	(42,776)	22,186	0	0	0	0	0	0	(37,837)	(20,590)
Unallocated pension contributions reserve	49	2,154	0	0	0	0	0	0	0	0	2,154	1,964
Statutory reserves	48	934,200	0	0	0	0	0	0	0	0	934,200	803,259
Ejo Heza member Savings	50	0	0	0	0	0	0	0	38,835	27,656	38,835	27,656
Total reserves	1,435,574	1,265,044	460,109	402,869	8,344	(12,320)	51,560	38,634	45,798	30,772	2,001,385	1,724,998

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.3.3. Statements of changes in members' funds and reserves

As at 30 June 2023

Statement reference	Capital Frw'millions	Occupational hazard reserves Frw'millions	Pension reserves Frw'millions	Accumulated member funds and retained earnings Frw'millions	Ejo Heza member funds Frw'millions	Fair value reserve Frw'millions	Revaluation reserve Frw'millions	Unallocated pension contributions reserve Frw'millions	Total Frw'millions
Pension scheme	53	78,522	855,678	471,384	0	(59,364)	87,148	2,154	1,435,574
Medical scheme	1,179	0	0	429,568	0	21,527	7,834	0	460,109
CBHI scheme	0	0	0	8,345	0	0	0	0	8,345
Maternity leave scheme	0	0	0	51,560	0	0	0	0	51,560
Ejo Heza	0	0	0	6,963	38,835	0	0	0	45,798
Total	1,232	78,522	855,678	967,819	38,835	(37,837)	94,982	2,154	2,001,385

As at 30 June 2022

Statement reference	Capital Frw'millions	Occupational hazard reserves Frw'millions	Pension reserves Frw'millions	Accumulated member funds and retained earnings Frw'millions	Ejo Heza member funds Frw'millions	Fair value reserve Frw'millions	Revaluation reserve Frw'millions	Unallocated pension contributions reserve Frw'millions	Total Frw'millions
Pension scheme	53	75,732	727,527	415,396	0	(42,776)	87,148	1,964	1,265,044
Medical scheme	1,179	0	0	371,670	0	22,186	7,834	0	402,869
CBHI scheme	0	0	0	(12,320)	0	0	0	0	(12,320)
Maternity leave scheme	0	0	0	38,634	0	0	0	0	38,634
Ejo Heza	0	0	0	3,115	27,656	0	0	0	30,772
Total	1,232	75,732	727,527	816,494	27,656	(20,590)	94,982	1,964	1,724,998

Note: Since the establishment of Pension and Occupational hazards in 1962, the two schemes have been managed as one. Pension and Occupational hazards contributions rates being 6% and 2% respectively. Their reserves are apportioned as per the Presidential Order of 22 August 1974 as modified and complemented by Law No. 06/2003 of 22/03/2003 Modifying and Completing the Decree Law of August 24, 1974 Concerning Organisation of Social Security.

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.3.3.1. Statement of member's fund and reserves – Pension and occupational hazards scheme

Capital	Occupational Hazards Reserves					Pensions reserves					Total		
	Occupational hazard Technical reserve	Occupational hazard Security reserve	Occupational hazard Working capital reserve	Total Occupational hazard reserves	Pension Technical reserve	Pension Working capital reserve	Total Pension reserves	Total statutory Reserves	Accumulated members' fund and related earnings	Fair value reserve		Revaluation reserve	Unallocated pension contributions reserve
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions		Frw'millions	Frw'millions
A	B	C	D	E=B+C+D	F	G	H=F+G	I=E+H					
At 1 July 2021	78,225	7,769	2,786	88,780	577,938	38,035	615,973	704,753	376,382	(44,621)	79,707	1,910	1,118,185
Adjustment for prior year				0			0	0	0				1
Increase in net assets for the year	1,333	899	355	2,588	103,097	8,457	111,553	114,141	23,377	1,845	7,441		146,804
Revaluation gain/(loss) for the year	(15,636)			(15,636)			0	(15,636)	15,636				0
Reclassification of unallocated contributions from other payables to reserves				0			0	0				(7)	(7)
Additional unallocated contributions during the year				0			0	0				172	172
Allocation of previously unallocated contributions during the year				0			0	0					
At 30 June 2022	63,922	8,668	3,141	75,732	681,035	46,492	727,527	803,259	415,396	(42,776)	87,148	1,964	1,265,044

(0)

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	Occupational Hazards Reserves				Pensions reserves					Total				
	Capital	Occupational Hazard Technical reserve	Occupational Hazard Security reserve	Occupational Hazard Working capital reserve	Total Occupational Hazard reserves	Pension Technical reserve	Pension Working capital reserve	Total Pension reserves	Total statutory Reserves		Accumulated members' fund and retained earnings	Fair value reserve	Revaluation reserve	Unallocated pension contributions reserve
Additional unallocated contributions during the year					0								282	Total
Allocation of previously unallocated contributions during the year					0									
At 30 June 2023	53	65,401	9,646	3,475	78,522	799,196	56,482	855,678	934,200	471,384	(59,364)	87,148	2,154	
													(93)	1,435,574

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.3.3.2. Statement of member's fund and reserves – Medical scheme

	Capital Frw'millions	Retained earnings Frw'millions	Fair Value Reserve Frw'millions	Revaluation Reserve Frw'millions	Total Frw'millions
At 1 July 2021	1,179	327,674	14,340	5,981	349,174
Adjustment for prior year	0	1	0	0	1
Profit for the year	0	43,995	7,846	1,854	53,694
Revaluation loss for the year	0	0	0	0	0
At 30 June 2022	1,179	371,670	22,186	7,834	402,869
At 1 July 2022	1,179	371,670	22,186	7,834	402,869
Adjustment for prior year	0	(1)	0	0	(1)
Profit for the year	0	57,899	(658)	0	57,241
Revaluation loss for the year	0	0	0	0	0
At 30 June 2023	1,179	429,568	21,527	7,834	460,109

8.3.3.3. Statement of member's fund and reserves – CBHI scheme

	Retained earnings Frw'millions
At 1 July 2021	(22,303)
Adjustment to opening balances	2
Profit/(Loss)for the year	9,981
At 30 June 2022	(12,320)
At 1 July 2022	(12,320)
Adjustment to opening balances	(2)
Profit/(Loss)for the year	20,667
At 30 June 2023	8,344

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.3.3.4. Statement of member's fund and reserves – Maternity leave scheme

	Retained earnings Frw'millions
At 1 July 2021	28,289
Adjustment for prior year	0
Profit for the year	10,344
At 30 June 2022	38,634
At 1 July 2022	38,634
Adjustment for prior year	0
Profit for the year	12,926
At 30 June 2023	51,560

8.3.3.5. Statement of member's fund and reserves – Ejo Heza

	Member funds Frw'millions	Unallocated member contributions Frw'millions	Retained earnings Frw'millions	Total Frw'millions
At 1 July 2021	14,458	379	1,165	16,001
Adjustment for prior year	0	0	59	59
Member contributions	11,446		(11,446)	0
Government contributions	1,706		(1,706)	0
Unallocated member funds		(333)		(333)
Net income/(loss) for the year			15,044	15,044
Interest allocated to members				0
At 30 June 2022	27,610	46	3,115	30,772
At 1 July 2022	27,610	46	3,115	30,772
Adjustment for prior year	0	0	(51)	(51)
Member contributions	11,120		(11,120)	0
Government contributions	0		0	0
Change in unallocated member funds		59		59
Net income/(loss) for the year			15,019	15,019
Interest allocated to members				0
At 30 June 2023	38,730	105	6,963	45,798

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

8.3.4. Statement of cash flows per scheme

	Pension Scheme		Medical Scheme		CBIII Scheme		Maternity leave Scheme		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Increase in net assets for the year	170,341	145,688	57,240	51,684	20,667	9,981	12,926	10,344	15,019	15,044	276,193	233,742
Adjusted for:												
Depreciation and amortization	789	814	1,207	619	159	39	2	3	50	40	2,206	1,515
Investment income	(79,577)	(62,144)	(35,141)	(26,659)	(1,317)	(588)	(4,049)	(3,075)	(4,535)	(2,661)	(124,619)	(95,128)
Realized gain on disposal of assets (equity investments, PPE, Assets held for sale and Investment properties)	658	2,429	(0)	(0)	0	0	(0)	(0)	0	0	657	2,428
Fair value loss/(gain) on equity investments	16,588	(1,845)	658	(7,846)	0	0	0	0	0	0	17,247	(9,691)
Fair value loss/(gain) on investment properties	0	(7,325)	0	157	0	0	0	0	0	0	0	(7,168)
Write back/write-offs	0	1,061	0	0	0	0	0	0	0	0	0	1,061
Unrealised foreign exchange loss	0	(100)	0	0	0	0	0	0	0	0	0	(100)
Government grants	0	0	0	0	(12,988)	(7,543)	0	0	(1,026)	(1,291)	(14,013)	(8,835)
Impairment provision (IFRS 9 ECL)	(104)	227	375	342	114	76	173	(78)	17	124	575	691
Other adjustments of opening balances	1	(73)	1	(86)	2	(12)	(0)	(1)	51	(59)	54	(231)
In-kind expenditure	0	0	0	0	0	0	0	0	0	0	0	0
In-kind income	0	0	0	0	0	0	0	0	0	0	0	0
Operating income for changes in working capital	108,696	79,732	24,339	18,212	6,637	1,953	9,052	7,193	9,576	11,197	158,301	118,286
(Increase)/Decrease in advance to contractors	3,051	604	(0)	(30)	0	1	0	0	0	0	3,051	574
(Increase)/Decrease in other assets	(3,447)	(6,012)	18	5,379	(8,747)	(2,265)	2	(13)	0	0	(12,174)	(2,912)
(Increase)/Decrease in amounts due from/(due to) other schemes	5,178	116	(5,681)	(872)	(7)	1,034	510	(278)	0	0	(0)	0
(Increase)/Decrease in inventory	10	3	9	3	11	8	1	1	0	0	31	14
Increase/(Decrease) in medical/maternity claims payables	0	0	4,938	1,012	3,206	(39)	(77)	9	0	0	8,067	983
Increase/(Decrease) in other payables	(776)	(2,147)	(62)	610	(2,386)	4,683	114	39	57	20	(3,053)	3,205
Increase/(Decrease) in contract retentions	1,066	484	6	8	1	3	0	0	0	0	1,073	495
Increase/(decrease) in deferred income	0	0	0	0	0	0	0	0	468	155	468	155
Increase in unallocated pension contributions reserve	189	54	0	0	0	0	0	0	59	(46)	248	8
Net cash flows from operating activities	113,968	72,834	23,567	24,321	(1,284)	5,376	9,601	6,950	10,160	11,326	156,011	120,809

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	Pension Scheme		Medical Scheme		CBHI Scheme		Maternity leave Scheme		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Cash flows used in investing activities:												
Dividend income received	17,290	7,838	2,207	875	0	0	0	0	0	0	19,497	8,713
Rent received	3,054	3,131	637	516	0	0	0	0	0	0	3,691	3,646
Other interest income received (current accounts, call deposit and mortgage loans)	3,366	3,966	2,749	1,793	1,331	588	650	439	0	0	8,096	6,787
Purchases for investment property under construction	(10,638)	(4,347)	0	0	0	0	0	0	0	0	(10,638)	(4,347)
Purchase of property and equipment	(646)	(85)	(1,464)	(0)	(550)	0	0	(0)	(55)	0	(2,715)	(86)
Purchase of intangible asset	0	(3)	0	(3)	0	(3)	0	0	0	0	0	(9)
Purchase of investment properties	(27,155)	(3,002)	0	0	0	0	0	0	0	0	(27,155)	(3,002)
Purchase of equity investments	(82,300)	(76,085)	(4,648)	0	0	0	0	0	0	0	(86,948)	(76,085)
Proceeds from disposal of Equity investments	3,849	0	0	0	0	0	0	0	0	0	3,849	0
Purchase of Corporate bonds, Receipts from settlement of Corporate bonds (Interest and principal)	(500)	(34,000)	(15,000)	0	0	0	0	0	0	0	(15,500)	(34,000)
Receipts from Treasury bond coupon interest income received	6,958	4,206	480	0	0	0	0	0	0	0	7,438	4,206
Receipts from Treasury bill maturities (Interest and principal)	28,828	32,678	27,224	8,788	0	0	1,735	756	6,177	2,368	63,965	44,590
Receipts from Commercial papers maturities (principal and interest)	35,360	71,593	59,240	70,786	0	0	(275)	2,158	0	0	94,325	144,537
Investment in Treasury bonds	4,628	15,930	0	0	0	0	0	0	0	0	4,628	15,930
Investment in Treasury bills	(125,250)	(60,578)	(87,883)	(26,810)	0	0	(25,604)	0	(15,857)	(12,681)	(254,684)	(100,068)
Investment in Commercial papers	(21,322)	(41,344)	(50,705)	(62,839)	(19,781)	0	0	0	0	0	(91,808)	(104,184)
Receipts from settlement of loans and advances to third parties	(27,324)	(13,085)	0	0	0	0	0	0	0	0	(27,324)	(13,085)
Additional loans and advances to third parties during the year	1,321	180	2,665	1,696	0	0	0	0	0	0	3,987	1,876
Settlement of mortgage loans	0	0	0	0	0	0	0	0	0	0	0	0
Placement of term deposits during the year	27	74	0	0	0	0	0	0	0	0	27	74
Settlement of term deposits during the year	(55,000)	(70,481)	(89,600)	(102,452)	0	0	(12,081)	(22,250)	(3,800)	(2,500)	(160,481)	(197,683)
(Increase)/Decrease in call deposit	70,574	104,876	100,514	117,478	0	0	24,490	14,300	2,709	0	198,237	236,654
Refund of prior year purchase of investment properties - Rusororo plots	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from disposal of PPE and Investment properties	23,983	1,588	0	2,491	0	0	0	0	0	0	23,983	4,079
Net cash used in investing activities	(150,945)	(56,949)	(53,584)	12,318	(19,001)	585	(11,174)	(4,597)	(10,826)	(12,813)	(245,529)	(61,456)

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	Pension Scheme		Medical Scheme		CBHI Scheme		Maternity leave Scheme		Eyo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Cashflow from financing activities												
Government subsidies	0	0	0	0	12,988	7,543	0	0	946	1,792	13,934	9,336
Government grants refunded	0	0	0	0	0	0	0	0	0	0	0	0
Increase in unidentified member contributions	0	0	0	0	0	0	0	0	0	0	0	0
Net cash from financing activities	0	0	0	0	12,988	7,543	0	0	946	1,792	13,934	9,336
Net increase in cash and cash equivalents	(36,977)	15,886	(30,016)	36,639	(7,298)	13,504	(1,573)	2,353	280	306	(75,584)	68,688
Cash and cash equivalents at 1 July	105,474	89,588	73,211	36,571	16,498	2,993	6,732	4,379	1,235	929	203,149	134,461
Cash and cash equivalents at 30 June	68,497	105,474	43,194	73,211	9,200	16,498	5,159	6,732	1,515	1,235	127,565	203,149

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Contributions

	Sub-Note	2023 Frw'millions	2022 Frw'millions
Pension scheme	10.1	153,240	125,758
Medical scheme	10.2	86,249	65,878
Community Based Health Insurance (CBHI) scheme	10.3	85,654	70,413
Maternity leave scheme	10.4	11,336	9,242
Ejo Heza	10.5	11,120	13,152
		347,599	284,444

9.1. Contributions – Pension scheme

In accordance with Law. No 45/2010 concerning the responsibilities, organization and functioning of the Rwanda Social Security Board, pension contributions are determined at 8% of an employee's gross salary (exclusive of transport allowance), of which 5% is paid by the employer and 3% is paid by the employee. Of the amounts paid by the employer, 2% relates to employee occupational hazards while 3% goes towards the employee's pension.

	2023 Frw'millions	2022 Frw'millions
Pension And Occupational Hazard Contributions	142,886	117,726
Pension And Occupational Hazard Contribution Penalties	9,523	7,326
Pension and Occupational Hazard Contribution arrears	831	707
	153,240	125,758

9.2. Contributions – Medical scheme

In accordance with Law. No 45/2010 concerning the responsibilities, organization and functioning of the Rwanda Social Security Board, both employee and employer medical contributions are determined at 7.5% of an individual's basic salary.

	2023 Frw'millions	2022 Frw'millions
Public medical contributions	68,483	51,616
Private medical contributions	16,634	13,310
Pensioners medical contributions	1,132	952
	86,249	65,878

9.3. Contributions – CBHI scheme

In accordance with Article 2 of the Prime Minister's order No.034/01 of 13/01/2020 related to the Community-Based Health Insurance Scheme contributions, contributors to community-based health insurance are the following:

1. The Government.
2. Employees in State organs and those in private sector.
3. Entities providing health insurance services operating in Rwanda.
4. Telecommunication companies.
5. Petrol and gas oil trade companies.

NOTES TO THE FINANCIAL STATEMENTS (continued)

CBHI contributions received by RSSB during the year were as follows:

	2023	2022
	Frw'millions	Frw'millions
Government contributions	11,853	12,355
Members contributions	29,010	26,607
Insurance contribution	11,672	9,098
Employees contributions	7,381	6,309
Telecommunication contribution	8,055	6,451
Petrol and gas oil contributions	12,670	5,768
CBHI Contribution Partners	0	0
Other CBHI Subsidies	4,552	3,619
Contributions - RDB	336	86
Contributions - RNEC	126	121
	85,654	70,413

*Amount for partner contribution from Imbuto Foundation has been reclassified to other income as grants.

During the year the Prime minister's order No.034/01 of 13/01/2020 introduced new sources of CBHI contribution income which include Employees, Telecommunication companies, Petrol and Gas oil and other CBHI subsidies.

9.4. Contributions – Maternity leave scheme

Pursuant to Law N° 003/2016 of 30/03/2016 establishing and governing maternity leave benefits scheme. The contribution for maternity leave benefits is equal to zero-point six percent (0.6%) of the salary to which the contribution is subscribed. The employer and the employee each contribute zero-point three percent (0.3%) of the salary to which the contribution is subscribed.

	2023	2021
	Frw'millions	Frw'millions
Contributions -Public sector	5,003	3,949
Contributions -Private sector	6,333	5,294
	11,336	9,242

9.5. Contributions/Savings – Ejo Heza

	2023	2022
	Frw'millions	Frw'millions
Members contributions/savings	11,120	11,446
Government contributions to member savings	0	1,706
	11,120	13,152

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Benefits paid

		2023	2022
	Sub-Note	Frw'millions	Frw'millions
Pension scheme	10.1	45,854	41,292
Medical scheme	10.2	50,627	36,712
Community Based Health Insurance (CBHI) scheme	10.3	68,651	63,855
Maternity leave scheme	10.4	1,788	1,662
Ejo Heza scheme		277	62
		167,197	143,583

10.1. Benefits paid – Pension and Occupational hazards scheme

	2023	2022
	Frw'millions	Frw'millions
Benefits paid to pensioners	36,166	31,540
Benefits paid to deceased members' beneficiaries	8,209	8,419
Sub-total benefits paid	44,376	39,959
Incapacity benefits	469	437
Other occupational hazards	1,009	896
Subtotal - Occupational hazard paid	1,479	1,333
Total benefits paid	45,854	41,292

10.2. Benefits paid – Medical scheme

	2023	2022
	Frw'millions	Frw'millions
Acts medical from partner hospitals, health centres and clinics	32,332	26,367
Partners pharmacy costs	18,295	10,345
	50,627	36,712

10.3. Benefits paid – CBHI scheme

	2023	2022
	Frw'millions	Frw'millions
CBHI medicine	26,707	23,946
CBHI medical acts	41,944	39,909
	68,651	63,855

10.4. Benefits expense - Maternity leave Scheme

	2023	2022
	Frw'millions	Frw'millions
Maternity leave benefits	1,788	1,662
	1,788	1,662

10.5. Benefits expense – Ejo Heza Scheme

	2023	2022
	Frw 'millions	Frw 'millions
Benefits	277	62
	277	62

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Investment income

RSSB generates most of its income from interest on Treasury bonds and bills, term deposits with financial institutions and current accounts.

	Sub note	Pension Scheme				Medical Scheme				CBHI				Maternity Leave				Ejo Heza				Total			
		2023		2022		2023		2022		2023		2022		2023		2022		2023		2022		2023		2022	
		Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions	Frw'mill ions
Dividend income	11.1	21,030	12,160	3,057	987	3,057	987	3,057	987	0	0	0	0	0	0	0	0	0	0	0	0	24,087	13,147	3,646	0
Rental income	11.2	3,054	3,131	522	516	522	516	522	516	0	0	0	0	0	0	0	0	0	0	0	0	3,576	3,646	0	0
Interest income:																									
Treasury bills		1,155	2,506	2,878	3,621	2,878	3,621	2,878	3,621	14	14	0	0	112	184	0	0	0	0	0	0	4,158	6,310	0	0
Term deposits with financial institutions	11.3	10,654	13,536	14,475	14,779	14,475	14,779	14,475	14,779	0	0	0	0	1,615	1,696	253	111	253	111	253	111	26,997	30,122	3,313	0
Commercial papers		5,025	3,313	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,025	3,313	0	0
Government bonds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate bonds		6,989	4,633	1,246	0	1,246	0	1,246	0	0	0	0	0	0	0	0	0	0	0	0	0	8,235	4,633	0	0
Treasury bonds	11.4	27,469	18,900	10,214	4,965	10,214	4,965	10,214	4,965	0	0	0	0	1,672	756	4,250	2,496	4,250	2,496	4,250	2,496	43,605	27,117	15	28
Mortgage loans		15	28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15	28	0	0
Current accounts		4,187	3,937	2,749	1,792	2,749	1,792	2,749	1,792	1,303	588	588	588	650	439	31	55	31	55	31	55	8,920	6,811	0	0
		79,577	62,144	35,141	26,659	35,141	26,659	35,141	26,659	1,317	588	588	588	4,049	3,075	4,535	2,661	4,535	2,661	4,535	2,661	124,619	95,128	0	0

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

11.1. Dividend income

	<u>Pension Scheme</u>		<u>Medical Scheme</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Local investments						
Bank of Kigali Limited	9,850	8,690	251	223	10,101	8,912
Bralirwa Limited	1,740	859	184	143	1,924	1,002
Crystal Telecom Ltd	796	1,041	0	0	796	1,041
Ruliba Clays Limited	0	0	0	0	0	0
I&M Bank	138	119	0	0	138	119
Cogebanque	0	0	0	0	0	0
Inyange Industries Limited	0	0	0	0	0	0
Rwanda Investment Group Limited	324	96	97	29	421	125
Rwanda stock exchange	17	3	0	0	17	3
Rwanda Free Trade Zone	0	29	0	0	0	29
CIMWERA	1,062		1,062		2,125	0
Sub-total (1)	13,927	10,835	1,595	395	15,522	11,229
Foreign investments						
Safaricom Limited	560	443	0	0	560	443
Eastern and Southern Africa Trade Development Bank (PTA Bank)	1,452	586	1,462	592	2,914	1,178
Afexim Bank	84	67	0	0	84	67
EABL	253	230	0		253	230
Equity bank group	2,803	0	0		2,803	0
KCB Bank Group Limited	1,950	0	0	0	1,950	0
					0	0
Sub-total (2)	7,103	1,326	1,462	592	8,565	1,918
Grand total (1+2)	21,030	12,160	3,057	987	24,087	13,147

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

11.2. Rental income

	<u>Pension Scheme</u>		<u>Medical Scheme</u>		<u>CBHI</u>		<u>Maternity Leave</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Kacyiru Executive Apartments	345	207	0	0	0	0	0	0	345	207
Grand Pension Plaza	1,190	830	0	0	0	0	0	0	1,190	830
Other Rental income	36	33	0	0	0	0	0	0	36	33
Nyanza Pension Plaza	111	77	0	0	0	0	0	0	111	77
Karongi Pension Plaza	227	119	0	0	0	0	0	0	227	119
Musanze Pension Plaza	85	212	0	0	0	0	0	0	85	212
Rwamagana Pension Plaza	8	8	0	0	0	0	0	0	8	8
Crystal Plaza	0	2	0	0	0	0	0	0	0	2
Nyarutarama Plaza	1,052	793	0	0	0	0	0	0	1,052	793
Doctors' plaza										
Tower I	0	0	37	36	0	0	0	0	37	36
Tower II	0	6	485	358	0	0	0	0	485	364
	3,054	2,286	522	394	0	0	0	0	3,576	2,680

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

11.3. Interest income on term deposits with financial institutions

	<u>Pension Scheme</u>		<u>Medical Scheme</u>		<u>Maternity Leave</u>		<u>Eto Itez</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Interest income on long term deposit										
Development Bank of Rwanda (BRD)	2,222	2,386	2,334	2,507	0	0	0	0	4,557	4,893
AB Bank	0	44	0	0	0	0	0	0	0	44
Bank of Kigali	1,320	765	18	60	0	0	0	0	1,338	825
Bank Populaire du Rwanda	170	170	811	1,175	22	0	0	0	1,004	1,345
Commercial Bank of Africa (Rwanda)	0	0	0	0	0	0	0	0	0	0
Zigama CSS	2,925	1,038	1,967	35	0	0	0	0	4,892	1,073
KCB Rwanda Limited	138	21	77	0	0	0	0	0	215	21
Equity Bank Limited	0	0	240	3	0	0	0	0	240	3
Bank of Africa	101	3	0	0	0	0	0	0	101	3
Cogebanque	0	0	0	0	0	0	0	0	0	0
KCB Rwanda Limited	49				15				64	0
Access Bank Limited	61		120						181	0
I&M Bank Rwanda Limited			135						135	0
Jali										
sub-total (1)	6,986	4,427	5,702	3,779	77	0	0	0	12,765	8,207
Interest income on short term deposits										
Access Bank Limited	106	0	1,304	595	0	0	0	0	1,411	595
Banque Populaire S.A	0	547	666	1,396	108	0	29	0	802	1,943
Cogebanque	0	1,087	347	1,121	467	482	0	0	814	2,690
Bank of Kigali Limited	1,890	4,407	2,267	2,895	212	725	0	0	4,369	8,927
Ecobank Rwanda Limited	426	495	0	0	0	0	0	0	426	495
KCB Rwanda Limited	656	1,541	1,412	1,438	362	138	0	0	2,429	3,117
I&M Bank Rwanda Limited	0	0	1,064	1,465	0	0	0	0	1,064	1,465
Zigama CSS	0	261	260	319	0	0	0	0	260	580
Equity bank limited	0	0	1,454	1,622	312	257	0	0	1,765	1,879
Uruguka Bank	0	0	0	0	0	0	54	34	54	34
AB Bank	104	139	0	0	57	8	0	0	161	147
LETSIEGO	0	0	0	0	0	0	0	0	0	0
NCBA Bank Rwanda	327	0	0	0	0	85	90	49	417	134

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	<u>Pension Scheme</u>		<u>Medical Scheme</u>		<u>Maternity Leave</u>		<u>Eto Heza</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
GT Bank	0	0	0	0	0	0	14	26	14	26
DUTERIMBERE IMF Plc	0	0	0	0	0	0	43	3	43	3
Jali	9	24	0	0	21	0	0	0	30	24
Bank of Africa	182	148	0	0	0	0	0	0	0	330
Gashen	0	79	0	0	0	0	23	0	23	0
Interest on late payments of short-term deposits										
Sub-total (2)	3,518	8,762	8,773	11,000	1,538	1,696	253	111	14,083	21,569
Interest income on call deposit										
KCB Rwanda Limited	102	0	0	0	0	0	0	0	0	102
Sub-total (3)	0	102	0	0	0	0	0	0	0	102
Interest income on BK Nest Fund										
Bank of Kigali Nest Fund	140	245	0	0	0	0	0	0	149	245
Sub-total (4)	149	245	0	0	0	0	0	0	149	245
Grand total (1+2+3)	10,654	13,536	14,475	14,779	1,615	1,696	253	111	26,997	36,122

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Gain/(loss) on valuation of financial assets at fair value through profit or loss

	<u>Pension Scheme</u>		<u>Medical Scheme</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Subsidiaries						
Ultimate Developers Limited (UDL)	1,692	(276)			1,692	(276)
Akagera Game Lodge SA (AGL)	(542)	(1,144)			(542)	(1,144)
SONARWA Life Assurance Limited	2,772	0			2,772	0
Rwanda Foreign Holding Investment Company (RFIHC)	2,045	(526)	885	(228)	2,930	(753)
Edge Hostels Limited	(23)	439			(23)	439
SONARWA General Insurance Limited	(3,181)	3,857			(3,181)	3,857
RNIT Iterambere Limited	367	168			367	168
Joint venture						
Building Materials Investment subsidiaries (RULIBA and EAGI)	(2,682)	(285)			(2,682)	(285)
Associates						
Rwanda Development Bank (BRD)	329	(1,812)			329	(1,812)
Ultimate Concepts Limited	2	1,834			2	1,834
Inyange Industries	(843)	509			(843)	509
Bank of Kigali (BK)	6,362	7,574	162	193	6,524	7,767
Cogebanque			692	2,880	692	2,880
Crystal Telecom/ MTN Rwanda	(513)	(4,318)			(513)	(4,318)
Horizon SOPYRWA Limited	224	(209)			224	(209)
Rwanda Enterprise Investment Company (REIC)	0	(11)			0	(11)
CIMERWA Limited	854	0	854	0	1,708	0
Eastern Province Investment Corporation (EPIC)	0	(650)			0	(650)
Other equity investments						
Rwanda Investment Group (RIG)	33	57	10	17	42	75
Prime Economic Zone Limited (formerly Rwanda Free Trade Zone)	187	969			187	969
Rwanda Stock Exchange (RSE)	50	(6)			50	(6)
Eastern and Southern Trade Development Bank (formerly PTA Bank)	(3,363)	4,621	(3,387)	4,647	(6,750)	9,268
Brasserie Et Limonaderie Du Rwanda (BRALIRWA)	1,033	1,850	126	336	1,159	2,186

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

Gain/(loss) on valuation of financial assets at fair value through profit or loss – Continued

	Pension Scheme		Medical Scheme		Total	
	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
I&M Bank	150	525			150	525
New Forest Company Holdings Uk (Ltd)	0	0			0	0
African Export-Import Bank (AFREXIM Bank)	368	209			368	209
Safaricom	(5,936)	(6,335)			(5,936)	(6,335)
EQUITY GROUP	(4,259)	(1,994)			(4,259)	(1,994)
RWANDA ULTIMATE GOLF COURSE	(3,470)	0			(3,470)	0
WORLD VU SATELLITES LIMITED	128	54			128	54
KCB GROUP	(8,404)	(3,026)			(8,404)	(3,026)
VIRUNGA AFRICA FUND	0	0			0	0
EABL	32	(229)			32	(229)
	1,845	(47,431)	7,846	(1,868)	9,691	(49,299)

Fair value gain/loss is determined as the difference between the carrying amount of the asset and the fair value established. There were significant gains realised on Bank of Kigali (BK), SONARWA Life, Rwanda Foreign Holding Investment Company (RFIHC), Ultimate Developers Limited, Brasserie Et Limonaderie Du Rwanda (BRALIRWA). However, these were partly offset by significant losses on KCB Group, Equity Group, Safaricom, RWANDA ULTIMATE GOLF COURSE, Eastern and Southern Trade Development Bank (formerly PTA Bank), Building Materials Investment subsidiaries (RULIBA and EAGI) and SONARWA General Insurance. For further details refer to note 29.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Gain/(loss) on valuation of investment properties

Description of property	Pension 2022 Frw'millions	Medical 2022 Frw'millions	Total 2022 Frw'millions
KACYIRU EXECUTIVE APARTMENTS	(1,201)	-	(1,201)
GRAND PENSION PLAZZA	(780)	-	(780)
MUSANZE PENSION PLAZZA	(209)	-	(209)
RWAMAGANA PENSION PLAZZA	(46)	-	(46)
NYANZA PENSION PLAZZA	(61)	-	(61)
KARONGI PENSION PLAZZA	(95)	-	(95)
RESIDENTIAL HOUSE KIVOVU	57	-	57
KIYOVU RESIDENTIAL HOUSE LAND	-	-	-
NYAGATARE HOUSES	7	-	7
LAND FOR INVESTMENT PROPERTIES	(20)	-	(20)
LAND FOR INSURANCE PLAZZAS	-	-	0
FORMER OECFR PLOT	139	-	139
GACULIRO VISION CITY LAND	1,184	-	1,184
CBDI-RUGENGE LAND	158	-	158
KINYINYA LAND	(3,397)	-	(3,397)
BATSINDA PARCEL	2,939	-	2,939
NYAGATARE LAND	99	-	99
RWAMAGANA PARCEL I&II	(1,208)	-	(1,208)
NYANZA PLOT	(80)	-	(80)
RUBAVU PLOT	160	-	160
LAND FROM GPD	(231)	-	(231)
BATSINDA PIPELINE INVESTMENT	(9)	-	(9)
GISOZI PLOT	-	-	0
KIGALI GOLF CLUB LAND	7,461	0	7,461
RUSORORO PLOTS	(3,520)	-	(3,520)
NYARUGENGE PLOTS	373	-	373
ASCENSEURS DE KEA	-	-	-
CRYSTAL PLAZA BUILDING	-	-	-
NYARUTARAMA PENSION PLAZA	(7)	-	(7)
MOBILIER DES MAISONS D' HABITATION	-	-	-
MOBILIER DE KEA	-	-	-
Agén. Antén./Placement	-	-	-
ELECTRICAL EQUIPMENT FOR ALL PLAZZAS	-	-	-
GASOGI LAND	5,611	-	5,611
Land for investment property	-	111	111
Twin Tower 2	-	(268)	(268)
Twin Tower Equipment's	-	-	-
	7,325	(157)	7,168

RSSB completed valuation of its investment properties in June 2022 and adopted the revalued balances as at 30 June 2022. The last revaluation had been conducted in the year ended 30 June 2020. The value of land was established based on published reference prices by The Institute of Real Property Valuers in Rwanda (IRPV) and this resulted in fair value loss for Rusororo plots, Kinyinya land, Rwamagana parcel I&II. There was no valuation of investment properties done in 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Realised gain/loss on disposal of assets

	<u>Pension Scheme</u>		<u>Medical Scheme</u>		<u>CBHI Scheme</u>		<u>Maternity leave Scheme</u>		<u>Total</u>	
	2023 Frw'million	2022 Frw'million	2023 Frw'million	2022 Frw'million	2023 Frw'million	2022 Frw'million	2023 Frw'million	2022 Frw'million	2023 Frw'million	2022 Frw'million
Realised gain/(Loss) on disposal of administrative assets	(3)	(0)	0	(0)	0	(0)	0	(0)	(3)	(0)
Realised gain/(Loss) on disposal of Investment properties	659	(2,428)	0	0	0	0	0	0	659	(2,428)
Realised gain/(Loss) on disposal of Batsinda houses	3	0	0	0	0	0	0	0	3	0
	(658)	(2,427)	0	(0)	0	(0)	0	(0)	(658)	(2,428)

15. Impairment loss on financial assets held at amortised cost

Financial assets at amortised cost	<u>Pension</u>		<u>Medical</u>		<u>CBHI</u>		<u>Maternity leave</u>		<u>Ejo Heza</u>		<u>Total</u>	
	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions
Corporate bonds	(73)	(166)	(95)	0	0	0	0	0	0	0	(167)	(166)
Treasury bonds	(443)	(198)	(297)	(80)	0	(106)	1	(124)	(8)	(853)	(402)	(402)
Treasury bills	67	133	46	21	(34)	(1)	9	0	0	29	163	163
Commercial papers	466	(12)	0	0	0	0	0	0	0	466	(12)	(12)
Loan and advances to third parties	7	(2)	(19)	(139)	0	0	0	0	0	(12)	(140)	(140)
Mortgage loans	0	0	0	0	0	0	0	0	0	0	0	0
Advances to contractors	67	16	0	(1)	0	0	0	0	0	67	15	15
Dividend and other income receivable	(33)	(21)	(5)	(1)	0	0	0	0	0	(38)	(21)	(21)
Other assets	(20)	0	(0)	40	(62)	(2)	0	0	0	(82)	38	38
Deposits with financial institutions	(65)	103	(121)	1	0	0	(71)	67	0	(257)	171	171
Cash and bank balances (only bank balances)	131	(81)	116	(183)	32	(74)	4	1	(9)	0	274	(337)
	105	(227)	(375)	(342)	(114)	(76)	(173)	78	(17)	(124)	(574)	(691)

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Investment management expenses

	Pension Scheme		Medical Scheme		CBHI		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Kacyiru executive apartments	183	243	-	-	-	-	-	-	-	-	183	243
Kacyiru Estate	0	0	-	-	-	-	-	-	-	-	0	0
Grand Pension Plaza	424	589	-	-	-	-	-	-	-	-	424	589
Nyanza Pension Plaza	66	93	-	-	-	-	-	-	-	-	66	93
Karongi Pension Plaza	86	112	-	-	-	-	-	-	-	-	86	112
Musanze Pension Plaza	83	102	-	-	-	-	-	-	-	-	83	102
Rwamagana Pension Plaza	57	69	-	-	-	-	-	-	-	-	57	69
EX-CVL buildings	3	10	-	-	-	-	-	-	-	-	3	10
Nyandaruna Plaza	88	91	-	-	-	-	-	-	-	-	88	91
Vision City and Kinyinya	0	0	-	-	-	-	-	-	-	-	0	0
Management fees Tower II and Doctor's plaza	0	0	253	255	-	-	-	-	-	-	253	255
Other investment management and administrative expenses	326	19	(18)	0	0	0	-	-	429	664	737	683
	1,315	1,327	235	255	0	0	-	-	429	664	1,979	2,247

17. Grants

	Sub note	2023	2022
		Frw'millions	Frw'millions
Grants to CBHI scheme- arrears	17.1	0	0
Grants to CBHI scheme- current		12,988	13,203
Grants to Pension scheme		0	0
Grants to Ejo Heza	17.2	1,026	1,291
		14,013	14,495

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

17.1. Government grants for CBHI Arrears

	2023 Frw'millions	2022 Frw'millions
Accumulated surplus/(deficit) as at 1 July		
Prior year adjustment	(4,856)	(22,380)
CBHI net income/(loss) for the year (without Government grants)	0	0
Accumulated surplus/(deficit) without Government grant	20,667	9,981
Government grant received during the year	15,811	(12,399)
Accumulated surplus/(deficit) as at 30 June	12,988	7,543
	28,799	(4,856)

In the year ended 30th June 2023, Government provided a grant amounting Frw 8.5 billion to cover the cumulative deficit of previous years. That grant as well as the additional sources approved by Government in 2020 has allowed the scheme (CBHI) to make a surplus in this financial year and consequently reducing the deficit from Frw 4.8 billion to a surplus of Frw 24 billion.

17.2. Government grants to Pension scheme

In 2023, RSSB (Pension fund) did not receive any Government grant during the year.

17.3. Grants to Ejo Heza

	AFR cash grants Frw'millions	AFR capital grants Frw'millions	Govt cash grants Frw'millions	Total Frw'millions
Year ended 30 June 2023				
New grants utilised during the year	0	0	988	988
Capital grant amortised during the year	0	0	38	38
	0	0	1,026	1,026

Year ended 30 June 2022

New grants utilised during the year
Capital grant amortised during the year

	0	0	1,251	1,251
	0	0	40	40
	0	0	1,291	1,291

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

Cash grants

The cash grants are cases where funds were transferred to Ejo Heza and utilised to incur specific expenditure during the financial year (Government) or where the grantor incurred expenditure on behalf of Ejo Heza (AFR). For the year ended 30 June 2023, cash grants represent funds from Government of Rwanda that were utilised for operating expenses of Ejo Heza scheme. No cash was received from AFR in 2023.

Capital grants

Ejo Heza received support in terms of assets from Access Finance Rwanda (AFR). The capital grant represents the amortised portion of the assets donated and is equivalent to the depreciation and amortisation charged for the year to utilise the assets. This amount is attributed to depreciation on computers and office equipment and amortisation charge for the software donated to Ejo Heza by AFR.

Government incentive for Ejo Heza members

The Government pays life insurance premiums for eligible members. Government paid premium totalling **Frw 4.3 billion** for members during the period January to December 2022. Payments were made directly by Government to the insurance company on behalf of the members. These amounts are not included in the grants and expenditure of Ejo Heza for the year.

18. Other income

	Pension Scheme		Medical Scheme		CHBI Scheme		Maternity Leave Scheme		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Issue of clearing certificates	16	144	0	0	0	0	0	0	0	0	16	144
Issue of card duplicates	0	0	2	5	0	0	0	0	0	0	2	5
Exchange rate gain	6,100	1,695	1,248	313	1	0	0	0	0	0	7,350	2,007
Penalties received	175	175	147	64	0	0	1	1	0	0	323	240
CBHI Sales of Medical and Members Cards	0	0	0	0	0	0	0	0	0	0	0	0
Interest income on Ejo Heza operational account	0	0	0	0	0	0	0	0	0	0	0	0
Total	6,291	2,014	1,396	382	1	0	1	1	0	0	7,691	2,396

Other income mainly represents exchange gains realised on foreign denominated financial assets.

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. Staff costs

Description	Pension Scheme		Medical Scheme		CBHI		Maternity Leave		Ejo Heza		Total	
	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions	2023 Frw'millions	2022 Frw'millions
Basic salaries	1,426	1,304	1,510	1,448	4,223	3,999	166	158	702	860	8,026	7,768
Overtime	0	0	0	0	0	0	0	0	0	0	0	0
Pay in lieu of leave	0	0	0	0	0	0	0	0	0	0	0	0
Technical allowances	13	14	12	13	16	16	1	1	0	0	42	44
Responsibility allowances	136	66	128	60	227	141	17	7	0	0	509	274
Social security contributions	89	79	94	87	253	237	11	10	0	0	447	414
Medical insurance contributions	103	98	109	109	304	300	12	12	0	0	528	519
Maternity Leave contributions	5	5	5	5	15	14	1	1	0	0	26	25
Transport allowances	132	135	157	162	517	517	14	15	0	0	820	829
House allowances	169	171	188	193	554	554	21	21	0	0	931	939
Notice and dismissal costs	0	0	0	0	0	0	0	0	0	0	0	0
Retirement benefits	0	1	0	7	8	6	0	0	0	0	8	15
Functory charges	5	0	8	0	31	2	0	0	0	0	45	3
Training and internship expenses	20	19	18	18	23	22	2	2	0	0	63	61
Employee benefits in kind	0	0	0	0	0	0	0	0	0	0	0	0
Other Allowances & Indemnities	30	28	25	24	29	28	7	6	0	0	92	87
Personnel sport activities	10	1	10	1	12	1	1	0	0	0	34	2
Other benefits	2	0	2	0	3	1	0	0	0	0	7	2
Death indemnities	5	2	0	2	5	5	0	0	0	0	10	9
Membership fees	5	3	16	12	6	4	0	0	0	0	27	20
Total	2,150	1,926	2,283	2,141	6,236	5,849	252	233	702	860	11,614	11,010

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. Administrative expenses

Description	Pension Scheme			Medical Scheme			CBHI			Maternity Leave			Ejo Heza			Total		
	2023 Frw'millio US	2022 Frw'millio US		2023 Frw'millio US	2022 Frw'millio US		2023 Frw'millio US	2022 Frw'millio US		2023 Frw'millio US	2022 Frw'millio US		2023 Frw'millio US	2022 Frw'millio US		2023 Frw'millio US	2022 Frw'millio US	
WATER AND ELECTRICITY	42	54		39	51		50	65		4	5		0	0		136	175	
FUEL	20	15		18	14		23	18		2	1		0	0		63	48	
OFFICE EQUIPMENT	68	37		130	76		87	49		7	4		0	0		291	166	
OTHER EQUIPMENT	117	49		100	46		124	58		10	5		0	0		351	158	
IT EQUIPMENT	47	16		44	92		58	20		5	2		0	0		154	129	
TRANSPORT OF STAFF IN THE COUNTRY	337	272		252	212		371	304		44	38		5	7		1,009	833	
TRANSPORT EXPENSES FOR STAFF ABROAD	15	3		14	3		18	4		1	0		0	0		50	9	
TRANSPORT EXPENSES FOR NON-STAFF	128	62		120	59		307	200		12	6		0	0		567	328	
TRANSPORT OF EQUIPMENT	3	0		1	0		42	0		0	0		0	0		46	1	
BUILDING MAINTENANCE	40	52		61	36		29	34		2	3		0	0		133	115	
VEHICLE MAINTENANCE	9	10		9	16		11	12		1	1		0	0		30	33	
MAINTENANCE OF EQUIPMENT AND FURNITURES	8	7		9	6		10	8		1	1		0	0		28	32	
CLEANING OF BUILDINGS	29	25		27	23		35	30		3	2		0	0		94	81	
MISSION ALLOWANCE IN THE COUNTRY	174	80		163	75		208	96		17	8		0	0		561	258	
MISSION ALLOWANCES ABROAD	10	4		9	4		11	5		1	0		0	0		31	13	
REPRESENTATION FEES	1	0		1	0		1	0		0	0		0	0		3	0	
STAFF REPLACEMENT FEES	1	0		1	0		21	18		0	0		0	0		23	18	
DOCUMENTATION & ABONNEMENT	0	0		0	0		0	0		0	0		0	0		0	0	
PUBLICATION	95	26		36	27		48	31		32	3		0	0		212	87	
SENSITIZATION	0	0		0	0		0	0		0	0		65	0		65	0	
BRANCH RENTAL EXPENSES	63	49		59	46		76	58		6	5		0	0		205	157	
HIRE SERVICES	444	244		92	121		111	155		9	13		0	0		656	532	
SECURITY SERVICES	69	63		64	59		82	76		7	6		0	0		222	205	
MAINTENANCE OF BUILDINGS	0	0		0	0		0	0		0	0		0	0		0	0	
VEHICLE MAINTENANCE	0	0		0	0		0	0		0	0		0	0		0	0	
MISSION ALLOWANCE WITHIN THE COUNTRY	0	0		0	0		0	0		0	0		0	0		0	0	
REFRESHMENT FEES	31	40		29	37		39	48		3	4		0	0		103	128	
COMMUNICATION EXPENSES	130	75		130	74		355	143		8	8		76	0		698	301	
INTERNET FEES	203	175		190	166		433	383		20	17		0	0		847	742	
FEES FOR THE UPGRADE OF IT SYSTEM - IT MODERNISATION COSTS	0	8		0	8		0	10		0	1		0	0		0	27	

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Description	Pension Scheme		Medical Scheme		CBHI		Maternity Leave		Ejo Heza		Total	
	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns
HONORARIUM	969	410	124	125	159	133	13	11	0	0	1,265	879
CASUAL WAGES	1	0	1	0	1	0	0	0	0	0	4	0
CASUAL WAGES	0	0	0	0	0	0	0	0	0	0	0	0
BANK CHARGES	10	8	3	2	1	22	1	1	0	0	15	32
RRA COMMISSION FEES	40	50	37	47	48	60	4	3	0	0	120	162
BNR SUPERVISION FEES	79	69	87	71	0	0	11	19	0	0	178	159
CBHI COMMISSION FEES	0	0	0	0	831	813	0	0	0	0	831	813
SACCOS COMMISSIONS FEES	0	0	0	0	0	0	0	0	0	0	0	0
COURT COSTS - CBHI	0	0	0	0	0	0	0	0	0	0	0	0
OTHER SERVICES	0	0	0	0	1	0	0	0	40	304	40	304
Total	3,184	1,906	1,852	1,481	3,592	2,851	233	167	185	311	9,037	6,716

21. Depreciation and amortisation expense

	Pension Scheme		Medical Scheme		CBHI		Maternity Leave		Ejo Heza		Total	
	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns	2023 Fw'millio ns	2022 Fw'millio ns
Property and Equipment												
Buildings	19	22	596	582	0	0	0	0	0	0	615	604
Motor vehicles	0	0	0	0	0	0	0	0	0	0	0	0
Office equipment	4	2	2	2	2	2	0	1	1	3	9	9
Furniture and fittings	83	65	23	25	22	24	2	0	0	0	130	116
Computers	681	724	585	10	133	12	0	1	12	0	1,411	747
Kitchen equipment	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation expense on property and equipment	787	813	1,205	619	157	38	2	3	13	3	2,165	1,476
Computer software												
Amortisation expense on Intangible assets	1	1	1	1	2	1	0	0	36	36	41	39
Total depreciation and amortisation expense	789	814	1,207	619	159	39	2	3	50	40	2,206	1,516

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. Other expenses

Description	Pension scheme		Medical scheme		CBHI scheme		Maternity leave scheme		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
FIRE INSURANCE	34	31	26	7	29	14	2	1	91	53
MOTO VEHICLE INSURANCE	4	0	4	11	5	0	0	0	14	11
COMPREHENSIVE ALL RISKS	0	0	0	0	0	0	0	0	0	0
DIRECTORS SITTING ALLOWANCE	0	0	0	7	0	0	0	0	0	7
COMMISSION	35	41	32	39	41	49	3	4	113	134
CORPORATE SOCIAL RESPONSIBILITY	64	44	60	41	77	53	6	4	208	143
CONTRIBUTION TO ISSA AND ECASSA	9	8	8	18	10	10	1	1	28	37
CURRENCY EXCHANGE LOSS	0	0	0	0	0	0	0	0	0	0
CBHI SUBSIDY	0	0	8,625	6,388	0	0	0	0	8,625	6,388
FOREIGN EXCHANGE DIFFERENCE	1	88	19	0	0	0	0	0	20	88
LEGAL FEES	41	7	41	0	46	8	4	0	131	15
SEMINAR EXPENSES	0	0	0	0	0	0	0	0	0	0
FISCAL PENALTIES	0	0	0	0	0	0	0	0	0	0
CONFERENCE AND WORKSHOPS	65	15	58	18	82	18	6	1	211	53
COMMEMORATION EVENTS	1	0	1	0	1	1	0	0	4	1
OTHER EXPENSES	(606)	2,242	(564)	642	259	1,409	(2)	(25)	(912)	4,258
NET INTER-SCHEME EXPENSE/(INCOME)	(6)	0	0	0	0	0	(0)	(0)	(0)	0
Total	(351)	2,477	8,311	7,372	551	1,553	21	(13)	8,551	11,589

Other expenses mainly comprise the contribution from RSSB Medical scheme to CBHI as required by CBHI Law for all medical insurance companies

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Revaluation gain/(loss) on administrative property

Class of property and equipment	Pension		Medical		Total	
	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
RSSB HEADQUARTERS	0	0	2,010	2,010	2,010	2,010
AUTRES IMMEUBLES	0	66	0	0	0	66
GICUMBI PLOTS	0	(14)	0	0	0	(14)
NYAMASHEKE PLOT	0	(10)	0	0	0	(10)
NYAMAGABE PLOT	0	(16)	0	0	0	(16)
GISAGARA PLOT	0	3	0	0	0	3
MUFANGA PLOT	0	83	0	0	0	83
RUHANGO PLOT	0	2	0	0	0	2
RUTSIRO PLOT	0	0	0	0	0	0
NGORORERO PLOT	0	7	0	0	0	7
GAKENKE PLOT	0	(6)	0	0	0	(6)
GATSIBO PLOT	0	3	0	0	0	3
NYABIHU PLOT	0	7	0	0	0	7
BURERA PLOT	0	(10)	0	0	0	(10)
ASSETS HELD FOR SALE	0	0	0	0	0	0
AUTRES IMMEUBLES	0	0	0	0	0	0
	0	116	2,010	2,010	2,011	2,126

A revaluation gain on land and buildings was realised as the result of a revaluation exercise undertaken by RSSB. The above value mainly relates to RSSB Headquarter building. During the year ended 30 June 2023, Land and Buildings were not revalued.

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. Property and equipment

Scheme	Sub-Note	As at 30 June 2023		As at 30 June 2022		Net book value
		Cost	Accumulated depreciation	Cost	Accumulated depreciation	Net book value
		Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
		A	B	A	B	C=A-B
Pension Scheme	24.1	6,324	4,554	5,681	3,775	1,906
Medical Scheme	24.2	17,028	4,328	15,565	3,123	12,442
CBHI Scheme	24.3	1,265	824	715	666	49
Maternity Scheme	24.4	49	48	49	46	3
Ejo Heza	24.5	208	165	153	152	1
Total		24,874	9,919	22,163	7,763	14,400

24.1. Property and equipment- Pension scheme

	Land and Buildings		Motor vehicle	Office equipment	Furniture, fixtures and fittings	Computers	Total
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Cost							
At 1 July 2021	1,098	108		437	1,569	2,364	5,575
Adjustment to opening balances	0	0		0	0	0	0
Transfer from PPE to investment properties	0	0		0	0	0	0
Revaluation adjustment - reversal of cost	(64)	0		0	0	0	(64)
Revaluation	116	0		0	0	0	116
Additions	0	0		0	85	0	85
Disposals	(23)	0		(4)	(1)	(3)	(30)
At 30 June 2022	1,127	108		433	1,653	2,361	5,681
Adjustment to opening balances	(3)	0		0	0	0	(3)
Transfer from PPE to investment properties	0	0		0	0	0	0
Revaluation adjustment - reversal of cost	0	0		0	0	0	0
Revaluation	0	0		0	0	0	0
Additions	0	0		0	39	607	646
Disposals	0	0		0	0	0	0
At 30 June 2023	1,123	108		433	1,692	2,968	6,324

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	Land and Buildings		Motor vehicle		Office equipment		Furniture, fixtures and fittings		Computers		Total	
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	
Cost												
Accumulated depreciation												
At 1 July 2021	44		108		433		1,391		1,059		3,035	
Adjustment to opening balances	0		0		(0)		0		0		(0)	
Revaluation adjustment - reversal of accumulated depreciation	(64)		0		0		0		0		(64)	
Charge for the year	22		0		2		65		724		813	
Disposal	0		0		(4)		(1)		(2)		(7)	
At 30 June 2022	1		108		430		1,456		1,781		3,775	
Adjustment to opening balances	(9)		0		0		0		0		(9)	
Revaluation adjustment - reversal of accumulated depreciation	0		0		0		0		0		0	
Charge for the year	19		0		4		83		681		787	
Transfer	0		0		0		0		0		0	
Disposal	0		0		0		0		0		0	
At 30 June 2023	12		108		434		1,539		2,462		4,554	

Net book value (Cost less Accumulated depreciation)

At 30 June 2023	1,112		0		(1)		153		506		1,770					
At 30 June 2022	1,125		0		2		197		581		1,906					

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

24.2. Property and equipment- Medical scheme

	Land and Buildings	Motor vehicle	Furniture, fixtures & fittings	Computers	Office equipment	Laboratory equipment	Kitchen equipment	Total
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Cost								
At 1 July 2021	12,126	190	1,939	513	374	54	103	15,299
Transfer	647	0	(647)	0	0	0	0	0
Reversal of cost upon revaluation	(1,742)	0	0	0	0	0	0	(1,742)
Revaluation loss	2,010	0	0	0	0	0	0	2,010
Disposals	0	0	(0)	(3)	(0)	0	0	(4)
At 30 June 2022	13,042	190	1,292	510	374	54	103	15,565
Adjustment to opening balances	0	0	0	0	0	0	0	0
Additions	0	0	0	1,464	0	0	0	1,464
At 30 June 2023	13,042	190	1,292	1,973	374	54	103	17,028

Accumulated depreciation								
At 1 July 2021	3,158	190	1,872	503	371	54	103	4,280
Transfer	647	0	(647)	0	0	0	0	0
Reversal of accumulated depreciation on previously revalued assets	(1,742)	0	0	0	0	0	0	(1,742)
Charge for the year	582	0	25	10	2	0	0	619
Disposals	0	0	(0)	(3)	(0)	0	0	(4)
At 30 June 2022	645	190	1,249	510	372	54	103	3,413
Charge for the year	596	0	23	585	2	0	0	1,205
Disposals	0	0	0	0	0	0	0	0
At 30 June 2023	1,241	190	1,272	1,095	374	54	103	4,328
Net book value (Cost less Accumulated depreciation)								
At 30 June 2023	11,801	0	20	879	0	0	0	12,700
At 30 June 2022	12,397	0	42	0	2	0	0	12,442

*A revaluation gain arose on land and buildings because of a revaluation exercise undertaken by RSSB in the Financial year ended 30 June 2022.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

24.3. Property and equipment- CBHI scheme

	Land and Buildings	Motor vehicle	Furniture, fixtures & Fittings	Computers	Office equipment	Total
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Cost						
At 1 July 2021	0	52	308	322	23	705
Additions	10	0	0	0	0	11
Disposals	0	0	0	(0)	(1)	(1)
At 30 June 2022	10	52	308	322	23	715
Adjustments to opening balances	0	0	0	0	0	0
Additions	0	0	0	550	0	550
Disposals	0	0	0	0	0	0
At 30 June 2023	10	52	308	872	23	1,265

Accumulated depreciation

At 1 July 2021	0	52	249	311	18	629
Adjustment for reapportionment of common assets among schemes	0	0	0	0	0	0
Charge for the year	0	0	24	12	2	38
Disposals	0	0	0	(0)	(1)	(1)
At 30 June 2022	0	52	273	323	19	666
Charge for the year	0	0	22	133	2	157
Disposals	0	0	0	0	0	0
At 30 June 2023	0	52	294	456	22	824

Net book value (Cost less Accumulated depreciation)

At 30 June 2023	10	0	14	416	1	441
At 30 June 2022	10	0	36	(0)	3	49

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

24.4. Property and equipment- Maternity leave scheme

	Land and Buildings		Motor vehicle		Furniture, fixtures & fittings		Computers		Office equipment		Total	
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Cost												
At 1 July 2021	0	0	0	25	23	1	49					
Additions	0	0	0	0	0	0	0					
Disposals	0	0	0	0	(0)	(0)	(0)					
At 30 June 2022	0	0	0	25	23	1	49					
Adjustment to opening balances	0	0	0	0	0	0	0					
Additions	0	0	0	0	0	0	0					
Disposals	0	0	0	0	0	0	0					
At 30 June 2023	0	0	0	25	23	1	49					

Accumulated depreciation

At 1 July 2021	0	0	0	20	22	1	43					
Charge for the year	0	0	0	2	1	0	3					
Disposals	0	0	0	0	(0)	(0)	(0)					
At 30 June 2022	0	0	0	22	23	1	46					
Charge for the year	0	0	0	2	0	0	2					
Disposals	0	0	0	0	0	0	0					
At 30 June 2023	0	0	0	24	23	1	48					

Net book value

At 30 June 2023	0	0	0	1	0	0	1					
At 30 June 2022	0	0	0	3	0	0	3					

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

24.5. Property and equipment- Ejo Heza

	Land and Buildings		Motor vehicle	Furniture, fixtures & fittings		Computers	Office equipment	Total
	Frw'millions		Frw'millions	Frw'millions		Frw'millions	Frw'millions	Frw'millions
Cost								
At 1 July 2021	0	0	0	0	133	19	153	
Adjustment for reappportionment of common assets among schemes	0	0	0	0	0	0	0	
Additions	0	0	0	0	0	0	0	
At 30 June 2022	0	0	0	0	133	19	153	
Adjustment for reappportionment of common assets among schemes	0	0	0	0	0	0	0	
Additions	0	0	0	0	55	0	55	
At 30 June 2023	0	0	0	0	188	19	208	
Accumulated depreciation								
At 1 July 2021	0	0	0	0	133	18	151	
Adjustment for reappportionment of common assets among schemes	0	0	0	0	0	0	0	
Charge for the year	0	0	0	0	0	0	0	
At 30 June 2022	0	0	0	0	133	18	152	
Adjustment for reappportionment of common assets among schemes	0	0	0	0	0	0	0	
Charge for the year	0	0	0	0	12	1	13	
At 30 June 2023	0	0	0	0	145	19	165	
Net book value								
At 30 June 2023	0	0	0	0	43	(0)	43	
At 30 June 2022	0	0	0	0	0	1	1	

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. Intangible assets

As at 30 June 2023	Pension Scheme Frw'millions	Medical Scheme Frw'millions	CBHI Frw'millions	Maternity Leave Frw'millions	Ejo Heza Frw'millions	Total Frw'millions
Cost						
At start of year	2,141	833	222	11	365	3,572
Adjustment (Reclassification of Ishema to WIP)	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Additions	-	-	-	-	-	-
	2,141	833	222	11	365	3,572
Amortization						
At start of year	(627)	(832)	(219)	(11)	(109)	(1,798)
Adjustment to opening balances	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Charge for the year	(1)	(1)	(2)	(0)	(36)	(41)
	(629)	(833)	(221)	(11)	(146)	(1,840)
Closing net book value	1,512	1	1	0	219	1,732

As at 30 June 2022	Pension Scheme Frw'millions	Medical Scheme Frw'millions	CBHI Frw'millions	Maternity Leave Frw'millions	Ejo Heza Frw'millions	Total Frw'millions
Cost						
At start of year	3,200	831	218	10	365	4,624
Disposal	(1,061)	0	0	0	0	(1,061)
Additions	3	3	3	0	0	9
	2,141	833	222	11	365	3,572
Amortization						
At start of year	(627)	(831)	(218)	(10)	(73)	(1,759)
Adjustment to opening balances	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Charge for the year	(1)	(1)	(1)	(0)	(36)	(39)
	(627)	(832)	(219)	(11)	(109)	(1,798)
Closing net book value	1,514	2	2	0	255	1,774

The contract for IT modernisation project elapsed before completion of the project and RSSB took a decision not to renew the contract. An impairment has been made for estimate of deliverables that will not be utilised by RSSB after the elapse of the contract. There is an ongoing legal process that will result in the determination of final value and obligations for both parties and this process was still ongoing at reporting date.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. Investment properties

Scheme	Closing net book value	Carrying values	
		2023	2022
		Frw'millions	Frw'millions
Pension Scheme	26.1	217,588	215,075
Medical Scheme	26.2	12,530	12,530
Total		230,118	227,604

In 2022, RSSB's investment properties and administrative land and buildings (classified under property and equipment – note 23) were subject to valuation by Eng. NSHIZIRUNGU Vincent an independent professional valuer. Valuation methods used were the Direct comparison, Replacement cost methods and the income capitalization method. During the year ending 30 June 2023 Land and Buildings were not revalued.

Valuation of Land

The valuation for land was based on estimated land prices for specific locations across the country and value was determined by multiplying the land size with the estimated price per square metre. The estimated value of land, forms part of the estimated fair value for investment properties and property, plant and equipment. The last valuation was based on 2021 land reference prices published by the Institute of Real Property valuers in Rwanda. These reference prices had not been revised by 30 June 2023. Directors believe the 2021 reference prices provide reasonable estimate of the land value as at 30 June 2023.

Where the direct comparison method was used to determine property values, the properties have been recorded at their Open Market values which is the highest price in terms of money which the property under appraisal should or could fetch in a competitive and open market under conditions requisite for a fair sale.

Implicit in this definition is the consummation of a sale at specified date and the passing of ownership from seller to buyer under the following conditions:

1. Both the buyer and seller are economically motivated and are both acting prudently
2. The sale price is not affected by any undue influence.
3. Both parties are well informed and well advised and are acting in what they consider to be their own best interest
4. A reasonable time is allowed for exposure in the open market value

The valuer has assumed that the property is not affected by statutory notices and neither the property nor its use gives rise to contravention of any statutory requirements. The Valuer did not inspect any woodwork or other parts of the structure that were covered, inaccessible or unexposed.

The open market values for the lands for development in urban and rural areas was obtained using the comparison valuation method and international valuation standards.

Where replacement cost method was used to determine property values, the cost of construction was recognized at 1,500 USD per square meter (at an exchange rate of Frw 1,015:US\$1) by analyzing the different costs of building similar modern commercial properties completed in the last 3 years.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

As per the valuation report, total valuations of RSSB properties are as follows:

	Valuation as at 30 June 2022
	(Frw)
Open market	236,445,501,000
Insurance value (excludes land)	84,233,482,000

RSSB management adopted the open market values for the properties in 2022. Management and Directors have assessed the potential changes to the values and considered that the values held in the books of account best represent the value of the properties as at 30 June 2023. Any changes would neither be significant nor material to the financial statements given the prevailing economic conditions.

26.1. Reconciliation of movement in Investment properties during the year - Pension Scheme

At 30 June 2023

Property description	As at 1 July 2022	Adjustment to opening balance	Adjustment to opening balance	Transfer from property and equipment to investment property	Fair valuation gain/(loss)	Additions	Disposals	As at 30 June 2023
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
KACYIRU EXECUTIVE APARTMENTS	7,762	0	0	0	0	0	0	7,762
GRAND PENSION PLAZZA	24,896	0	0	0	0	0	0	24,896
MUSANZE PENSION PLAZZA	5,089	0	0	0	0	0	0	5,089
RWAMAGANA PENSION PLAZZA	3,785	0	0	0	0	0	0	3,785
NYANZA PENSION PLAZZA	4,131	0	0	0	0	0	0	4,131
KARONGI PENSION PLAZZA	3,804	0	0	0	0	0	0	3,804
RESIDENTIAL HOUSE KIYOVU	537	0	0	0	0	0	0	537
NYAGATARE HOUSES	62	0	0	0	0	0	0	62
LAND FOR INVESTMENT PROPERTIES	175	0	0	0	0	0	0	175
LAND FOR INSURANCE PLAZZAS	0	0	0	0	0	0	0	0
FORMER CECFR PLOT	1,282	0	0	0	0	0	0	1,282
GACULIRO VISION CITY LAND	54,922	0	0	0	0	0	(1,077)	53,845
CBDI-RUGENGE LAND	1,202	0	0	0	0	0	0	1,202
KINYINYA LAND	37,987	0	0	0	0	0	(5,878)	32,109
BATSINDA PARCEL	10,172	0	0	0	0	0	0	10,172
NYAGATARE LAND	769	0	0	0	0	0	(2)	767
RWAMAGANA PARCEL I&II	1,928	0	0	0	0	0	0	1,928
NYANZA PLOT	476	0	0	0	0	0	0	476
RUBAVU PLOT	211	0	0	0	0	0	0	211
LAND FROM GPD	1,322	0	0	0	0	0	0	1,322
BATSINDA PIPELINE INVESTMENT	32	0	0	0	0	0	0	32
GISOZI PLOT	0	0	0	0	0	0	0	0
KIGALI GOLF CLUB LAND	17,762	0	0	0	0	9,536	0	27,298

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Property description	As at 1 July 2022	Adjustment to opening balance	Adjustment to opening balance	Transfer from property and equipment to investment property	Fair valuation gain/(loss)	Additions	Disposals	As at 30 June 2023
RUSORORO PLOTS	8,400	0	0	0	0	0	0	8,400
NYARUGENGE PLOTS	1,637	0	0	0	0	0	(66)	1,572
MATERIEL DES MAISONS D'HABITATION	1	0	0	0	0	0	0	1
MATERIELS DE KEA	233	0	0	0	0	0	0	233
GROUPEs ELECTROGENES DE KEA	0	0	0	0	0	0	0	0
ASCENSEURS DE KEA	0	0	0	0	0	0	0	0
CRYSTAL PLAZA BUILDING	0	0	0	0	0	0	0	0
NYARUTARAMA PENSION PLAZA	17,051	0	0	0	0	0	0	17,051
MOBILIER DES MAISONS D'HABITATION	4	0	0	0	0	0	0	4
MOBILIERS DE KEA	572	0	0	0	0	0	0	572
Agon Améli (Placemén)	0	0	0	0	0	0	0	0
ELECTRICAL EQUIPMENT FOR ALL PLAZZAS	0	0	0	0	0	0	0	0
GASOGI LAND	8,869	0	0	0	0	0	0	8,869
	215,075	0	0	0	0	9,536	(7,022)	217,588

At 30 June 2022

Property description	As at 1 July 2021	Adjustment to opening balance (refund Rusororo plots)	Adjustment to opening balance (related to expropriation claim Gaculiro vision city land - plot)	Transfer from property and equipment to investment property	Fair valuation gain/(loss)	Additions	Disposals	As at 30 June 2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
KACYIRU EXECUTIVE APARTMENTS	7,773	0	0	1,190	(1,201)	0	0	7,762
GRAND PENSION PLAZZA	24,049	0	0	1,637	(780)	0	0	24,896
MUSANZE PENSION PLAZZA	4,519	0	0	779	(209)	0	0	5,089
RWAMAGANA PENSION PLAZZA	3,403	0	0	429	(46)	0	0	3,785
NYANZA PENSION PLAZZA	3,421	0	0	771	(61)	0	0	4,131
KARONGI PENSION PLAZZA	3,439	0	0	461	(95)	0	0	3,804
RESIDENTIAL HOUSE KYOVU	224	0	0	256	57	0	0	537
NYAGATARE HOUSES	55	0	0	0	7	0	0	62
LAND FOR INVESTMENT PROPERTIES	1,782	0	0	(1,587)	(20)	0	0	175
LAND FOR INSURANCE PLAZZAS	1,901	0	0	(1,901)	0	0	0	0
FORMER CECFR PLOT	1,143	0	0	0	139	0	0	1,282
GACULIRO VISION CITY LAND	53,611	0	0	0	1,184	158	(31)	54,922
CBDI-RUGENGE LAND	1,044	0	0	0	158	0	0	1,202
KINYINYA LAND	41,384	0	0	0	(3,397)	0	0	37,987
BATSINDA PARCEL	7,233	0	0	0	2,939	0	0	10,172
NYAGATARE LAND	670	0	0	0	90	0	0	769
RWAMAGANA PARCEL I&II	3,136	0	0	0	(1,208)	0	0	1,928
NYANZA PLOT	556	0	0	0	(80)	0	0	476
RUBAVU PLOT	51	0	0	0	160	0	0	211

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	As at 1 July 2021	Adjustment to opening balance (refund Rusororo plots)	Adjustment to opening balance (related to expropriation claim Gaculiro vision city land - plot)	Transfer from property and equipment to investment property	Fair valuation gain/(loss)	Additions	Disposals	As at 30 June 2022
Property description:								
LAND FROM GPD	1,552	0	0	0	(231)	0	0	1,322
BATSINDA PIPELINE INVESTMENT	41	0	0	0	(9)	0	0	32
GISOZI PLOT	1,590	0	0	0	0	0	(1,590)	0
KIGALI GOLF CLUB LAND	7,457	0	0	0	7,461	2,844	0	17,762
RUSORORO PLOTS	11,920	0	0	0	(3,520)	0	0	8,400
NYARUGENGE PLOTS	1,264	0	0	0	373	0	0	1,637
MATERIEL DES MAISONS D'HABITATION	1	0	0	0	0	0	0	1
MATERIELS DE KEA	255	0	0	0	0	0	(22)	233
GROUPES ELECTROGENES DE KEA	170	0	0	(170)	0	0	0	0
ASCENSEURS DE KEA	198	0	0	(198)	0	0	0	0
CRYSTAL PLAZA BUILDING	2,505	0	0	0	0	0	(2,505)	0
NYARUTARAMA PENSION PLAZA	16,318	0	0	741	(7)	0	0	17,051
MOBILIER DES MAISONS D'HABITATION	4	0	0	0	0	0	0	4
MOBILIERS DE KEA	372	0	0	0	0	0	0	372
Agan Arwán/Placement	232	0	0	(232)	0	0	0	0
ELECTRICAL EQUIPMENT FOR ALL PLAZZAS	2,165	0	0	(2,165)	0	0	0	0
GASOGI LAND	3,258	0	0	0	5,611	0	0	8,869
	208,896	0	0	0	7,325	3,002	(4,148)	215,075

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

26.2. Reconciliation of movement in Investment properties during the year – Medical Scheme

At 30 June 2023	At 1 July 2022	Transfer	Fair valuation gain/loss	At 30 June 2023
Property description	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Land for investment property	751	0	0	751
Twin Tower 2	11,779	0	0	11,779
Twin Tower Equipment's	0	0	0	0
Total	12,530	0	0	12,530

As at 30 June 2022

Property description	At 1 July 2021	Transfer	Fair valuation gain/loss	At 30 June 2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Land for investment property	925	(285)	111	751
Twin Tower 2	11,622	424	(268)	11,779
Twin Tower Equipment's	140	(140)	0	0
Total	12,686		(157)	12,530

26.3. Land without titles

Description	Asset Identifier	Classification	Location	Date of Acquisition	Amount
TOWER III	1/01/06/07/72	Investment properties	NYARUGENGE	01/07/2016	Frw 47,700,000
Nyanza plot	2/01/01/04/2534	Investment properties	NYANZA	01/07/2019	475,600
					64,975,600

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

27. Investment properties in the process of construction

Scheme	Sub-Note	Carrying values	
		2023	2022
		Frw'millions	Frw'millions
Pension Scheme	27.1	22,668	12,031
Medical Scheme	27.2	0	0
Total		22,668	12,031

27.1. Investment properties under construction – pension scheme

30 June 2023

Property description	At 1 July 2022	Prior year adjustment	Additions	Reclassification on to other assets	At 30 June 2023
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
LAND FOR DEVELOPMENT	0	0	0	0	0
LOGEMENTS BATSINDA 2eme PHASE	12,031	0	10,638	0	22,668
Investment in CATCHUP INVESTMENTS LIMITED	0	0	0	0	0
	12,031	0	10,638	0	22,668

30 June 2022

Property description	At 1 July 2021	Prior year adjustment	Additions	Reclassification on to other assets	At 30 June 2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
LAND FOR DEVELOPMENT	0	0	0	0	0
LOGEMENTS BATSINDA 2eme PHASE	7,684	0	4,347	0	12,031
Investment in CATCHUP INVESTMENTS LIMITED	0	0	0	0	0
	7,684	0	4,347	0	12,031

27.2. Investment properties under construction – medical scheme

At 30 June 2023

Property description	At 1 July 2022	Prior year adjustment	At 30 June 2023
	Frw'millions	Frw'millions	Frw'millions
Land For Development	-	-	-
	-	-	-

Property description	At 1 July 2021	Additions	At 30 June 2022
	Frw'millions	Frw'millions	Frw'millions
Land For Development	-	-	-
	-	-	-

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. Assets held for sale

	2023 Frw'millions	2022 Frw'millions
Cost		
Opening at 1 July	-	-
Revaluation gain	-	-
Disposals	-	-
Closing at 30 June	-	-

RSSB's assets held for sale comprise centre *socio-recréatif* at Kacyiru estate.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

29. Equity investments

Scheme	Sub-Note	Carrying values	
		2023	2022
		Frw'millions	Frw'millions
Pension Scheme	29.1	549,723	487,095
Medical Scheme	29.2	60,792	56,802
Total		610,514	543,897

29.1. Equity investments – Pension

Equity Investee	Type of equity instrument	%age holding		Number of shares held	Number of shares held	Basis of measurement	Carrying Value as at	Carrying Value as at
		2023	2022				2023	2022
							Frw'millions	Frw'millions
Subsidiaries								
(Control evidenced by ownership of 50% or more of ordinary shares with voting rights and board representation)								
ULTIMATE DEVELOPERS LIMITED (UDL)	Ordinary shares	100.00%	100.00%	9,915	9,915	Fair value	96,788	95,097
AKAGERA GAME LODGE (AGL)	Ordinary shares	100.00%	100.00%	4,042,100	4,042,100	Fair value	12,867	13,063
SONARWA LIFE ASSURANCE	Ordinary shares	100.00%	100.00%	551,367	494,005	Fair value	5,772	-
RWANDA ULTIMATE GOLF COURSE	Ordinary shares	100%	N/A	407,821,000		Fair value	41,722	38,266
EDGE HOSTELS	Ordinary shares	88.32%	87.01%	10,408,532	9,041,580	Fair value	11,949	11,972
SONARWA GENERAL INSURANCE	Ordinary shares	79.20%	79.20%	382,586,233	382,586,233	Fair value	9,071	12,251
RWANDA FOREIGN HOLDINGS INVESTMENT COMPANY LIMITED (RFHIC)	Ordinary shares	65.95%	65.95%	6,675,000	6,675,000	Fair value	5,382	3,338
Joint Venture								
(Joint control evidenced with 50% of ordinary shares (considering both pension and medical schemes) with voting rights and board representation)								
BMT (RULIBA and EAGI)	Ordinary shares	44.03%	50.00%	9,487,432	7,040,064	Fair value	6,121	8,803
Associates								
(Significant influence evidence with ownership (considering both pension and medical schemes) of 20% or more of ordinary shares with voting rights and board representation)								
ULTIMATE CONCEPT LTD	Ordinary shares	2.29%	2.29%	2,316	2,316	Fair value	1,836	1,834
INYANGE INDUSTRIES LTD	Ordinary shares	40.00%	40.00%	3,280,000	3,280,000	Fair value	18,653	19,496
RWANDA DEVELOPMENT BANK (BRD)	Ordinary shares	25.97%	26.42%	17,892,275	17,892,275	Fair value	28,491	28,162
BANK OF KIGALI (BK)	Ordinary shares	33.49%	33.49%	302,966,100	302,966,100	Fair value	86,648	80,286
EASTERN PROVINCE INVESTMENT CORPORATION (EPIC)	Ordinary shares	30.03%	30.03%	55,259	55,259	Fair value	1,834	1,834
CRYSTAL TELECOM	Ordinary shares	8.37%	6.37%	113,053,000	86,053,000	Fair value	19,445	15,231
HORIZON SOPYRWA LTD	Ordinary shares	30.00%	30.00%	1,262	1,262	Fair value	9,901	9,677
RWANDA ENTERPRISE INVESTMENT COMPANY LIMITED (REIC)	Ordinary shares	26.52%	26.52%	2,652	2,652	Fair value	60	60
CIMERWA Ltd	Ordinary shares	10.12%	10.00%	71,153,040	71,153,040	Fair value	9,392	8,538

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Equity Investee	Type of equity instrument	%age holding	%age holding	Number of shares held	Number of shares held	Basis of measurement	Carrying Value as at	Carrying Value as at
		2023	2022	2023	2022		2023	2022
							Frw'millions	Frw'millions
RNIT ITERAMBERE Fund	Fund units					Fair value	3,591	3,223
Other equity investments								
(No control or significant influence evidenced by ownership of less than 20% of ordinary shares with voting rights)								
RWANDA INVESTMENT GROUP LIMITED (RIG)	Ordinary shares	17.39%	17.39%	2,400	2,400	Fair value	3,274	3,241
PRIME ECONOMIC ZONES COMPANY LIMITED	Ordinary shares	14.40%	14.40%	164,748	164,748	Fair value	4,733	4,546
NEW FOREST COMPANY RWANDA (NFCR)	Ordinary shares	N/A	N/A	100,000	100,000	Fair value	8,225	8,225
RWANDA STOCK EXCHANGE (RSE)	Ordinary shares	10.00%	10.00%	10	10	Fair value	115	64
EASTERN AND SOUTHERN AFRICA TRADE DEVELOPMENT BANK (FORMERLY PTA BANK)	Ordinary shares	1.11%	1.11%	1,818	1,818	Fair value	25,419	28,782
Brasserie Et Limonaderie Du Rwanda (BRALIRWA)	Ordinary shares	7.72%	4.90%	79,418,800	50,418,800	Fair value	13,898	8,067
I&M RWANDA	Ordinary shares	6.19%	6.19%	74,982,700	74,982,700	Fair value	3,374	3,224
NEW FORESTS COMPANY HOLDINGS LIMITED (UK)	Ordinary shares	-	-	-	-	Fair value	-	-
AFREXIMBANK	Ordinary shares	0.06%	0.08%	124	124	Fair value	3,722	3,354
SAFARICOM	Ordinary shares	0.20%	0.12%	80,153,550	47,153,550	Fair value	11,703	10,599
EQUITY GROUP	Ordinary shares	1.39%	1.08%	52,604,300	40,604,300	Fair value	16,788	15,834
LEAF PHARMACEUTICALS LIMITED	Ordinary shares	0.00%	0.00%	697	697	Cost	-	-
WORLD VU SATELITES LIMITED	Ordinary shares	0.00%	0.00%	-	-	Cost	1,195	1,067
AKAGERA MEDICINES INC	Ordinary shares	N/A	N/A	6,000,000	6,000,000	Cost	14,861	14,861
NEW FOREST COMPANY RWANDA (NFCR)	Preference shares	N/A	N/A	100,000	100,000	Cost	5,968	5,968
VIRUNGA AFRICA FUND	Ordinary shares	N/A	N/A	-	-	Cost	12,720	6,393
EABL	Ordinary shares	0.06%	N/A	487,570	3,000,000	Fair value	631	3,683
KATAPULT	Ordinary shares	N/A	N/A	5,000	-	Cost	540	-
ZIPLINE	Ordinary shares	N/A	N/A	950,063	-	Cost	33,030	-
GREEN CITY KIGALI COMPANY	Ordinary shares	7.80%	N/A	-	-	Cost	619	-
KCB Group	Ordinary shares	0.48%	0.48%	79,289,541	51,289,541	Fair value	19,384	18,056
TOTAL							549,723	487,095

29.1.1. Reconciliation of changes in carrying values of equity investments under pension scheme during the year

a) Summary reconciliation

	2023	2022
	Frw'millions	Frw'millions
As at 1 July	487,095	408,683
Additional Investments during the year	82,300	76,414
Disposals during the year	(3,084)	-
Share exchange	-	-
Gain/Loss on share exchange	-	152
Write back/(offs)	-	-
Fair valuation gain/(loss) during the year	(16,588)	1,845
As at 30 June	549,723	487,095

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

b) Detailed reconciliation per equity investee

Equity Investee	Carrying value as at 1 July 2022 Fw'millions	Addition of capital injection during the year Fw'millions	Share exchange Fw'millions	Forex gain/loss Fw'millions	Gain/Loss on share exchange Fw'millions	Disposals during the year Fw'millions	Write offs Fw'millions	Fair valuation gain/(loss) Fw'millions	Carrying value as at 30 June 2023 Fw'millions
Subsidiaries									
ULTIMATE DEVELOPERS LIMITED (UDL)	95,097	-	-	-	-	-	-	1,692	96,788
AKAGERA GAME LODGER (AGL)	13,063	346	-	-	-	-	-	(542)	12,867
SONARWA LIFE ASSURANCE	-	3,000	-	-	-	-	-	2,772	5,772
RWANDA ULTIMATE GOLF COURSE	38,266	6,927	-	-	-	-	-	(3,470)	41,722
RWANDA FOREIGN INVESTMENT HOLDING COMPANY LIMITED (RFHC)	3,338	-	-	-	-	-	-	2,045	5,382
EDGE HOSTELS	11,972	-	-	-	-	-	-	(23)	11,949
SONARWA GENERAL INSURANCE	12,251	-	-	-	-	-	-	(3,181)	9,071
RNIT Iterambere Fund	3,223	-	-	-	-	-	-	367	3,591
Joint venture									
BMI (RULIBA and EAGI)	8,803	-	-	-	-	-	-	(2,682)	6,121
Associates									
RWANDA DEVELOPMENT BANK (BRD)	28,162	-	-	-	-	-	-	329	28,491
ULTIMATE CONCEPT LTD.	1,834	-	-	-	-	-	-	2	1,836
INYANGE INDUSTRIES LTD	19,496	-	-	-	-	-	-	(843)	18,653
BANK OF KIGALI (BK)	80,286	-	-	-	-	-	-	6,362	86,648
CRYSTAL TELECOM/MTN RWANDA	15,231	4,727	-	-	-	-	-	(513)	19,445
HORIZON SOPYRWA LTD	9,677	-	-	-	-	-	-	224	9,901
RWANDA ENTERPRISE INVESTMENT COMPANY LIMITED (REIC)	60	-	-	-	-	-	-	-	60
CIMERWA Ltd	8,538	-	-	-	-	-	-	854	9,392
EASTERN PROVINCE INVESTMENT CORPORATION (EPIC)	1,834	-	-	-	-	-	-	-	1,834
Other equity investments									
RWANDA INVESTMENT GROUP LIMITED (RIG)	3,241	-	-	-	-	-	-	33	3,274
PRIME ECONOMIC ZONES COMPANY LIMITED	4,546	-	-	-	-	-	-	187	4,733
NEW FOREST COMPANY RWANDA (NFCR)	8,225	-	-	-	-	-	-	0	8,225
RWANDA STOCK EXCHANGE (RSE)	64	-	-	-	-	-	-	50	115
EASTERN AND SOUTHERN AFRICA TRADE DEVELOPMENT BANK (FORMERLY PTA BANK)	28,782	-	-	-	-	-	-	(3,363)	25,419
BRALIRWA	8,067	4,799	-	-	-	-	-	1,033	13,898
I&M RWANDA	3,224	-	-	-	-	-	-	150	3,374
NEW FORESTS COMPANY HOLDINGS LIMITED (UK)	-	-	-	-	-	-	-	-	-
AFREXIMBANK	3,354	-	-	-	-	-	-	368	3,722
SAFARICOM	10,599	7,041	-	-	-	-	-	(5,936)	11,703
EQUITY GROUP	15,834	5,213	-	-	-	-	-	(4,259)	16,788
LEAF PHARMACEUTICALS LIMITED	0	-	-	-	-	-	-	0	0
WORLD VU SATELITES LIMITED	1,067	-	-	-	-	-	-	128	1,195
AKAGERA MEDICINES INC	14,861	-	-	-	-	-	-	0	14,861
NEW FOREST COMPANY RWANDA (NFCR) PREFERENCE SHARES	5,968	-	-	-	-	-	-	0	5,968
VIRUNGA AFRICA FUND	6,393	6,328	-	-	-	-	-	0	12,720
EABL	3,683	-	-	-	-	(3,084)	-	32	631
KATAPULT	-	540	-	-	-	-	-	-	540

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Equity Investee	Carrying value as at 1 July 2022 Frw'millions	Addition at capital injection during the year Frw'millions	Share exchange Frw'millions	Forex gain/loss Frw'millions	Gain/Loss on share exchange Frw'millions	Disposals during the year Frw'millions	Write offs Frw'millions	Fair valuation gain/(loss) Frw'millions	Carrying value as at 30 June 2023 Frw'millions
ZIPLINE	-	33,030	-	-	-	-	-	-	33,030
GREEN CITY KIGALI COMPANY	-	619	-	-	-	-	-	-	619
KCB GROUP	18,056	9,731	-	-	-	-	-	(8,404)	19,384
TOTAL	487,095	82,300	-	-	-	(3,084)	-	(16,588)	549,723

c) Significant fair valuation gains during the year ended 30 June 2023

▪ Bank of Kigali: FRW 6.3 billion gain

The fair value gain is due to the increase of the share price that increased from Frw 265 per share on 30 June 2022 to Frw 286 per share as at 30 June 2023.

▪ Sonarwa Life Assurance – FRW 2.7 billion gain

The fair value gain of Frw 2.7 billion is on account of the company's good performance for the period that has led to it generating net assets in the current period. Net income for the period was Frw 2.7 billion compared to net loss of Frw 562 million and closing net liabilities of Frw 562 million in the prior period.

▪ Eastern and Southern Trade Development Bank: FRW 3.3 billion loss

During the year, a fair value gain of FRW 9 billion on equity investment in Eastern and Southern Trade Development Bank was realised due to growth of overall shares subscribed in the company leading a dilution of the income per share. This is despite the increase in net assets and net income of US\$ 208 million during the period.

▪ BRALIRWA: FRW 1.1 billion gain

The fair value gain is due to the increase of the share price that increased from Frw 160 per share as at 30 June 2022 to Frw 1675 per share on 30 June 2023.

▪ Ultimate Developers Ltd: FRW 1.6 billion gain

The fair value gain of Frw 1.6 billion is primarily due to the reported net income of Frw 1.3 billion during the period which was an 87% increase from the prior period contributing to the growth net asset growth of the company.

d) Significant fair valuation losses during the year ended 30 June 2023

▪ Safaricom: FRW 5.9 billion loss

The fair value loss is consistent with the movement in share price for Safaricom shares. The price fell from Frw 224 (Kes 9.03) per share in June 2022 to Frw146 (Kes 8.34) per share in June 2022. In addition, the Board purchased an additional 33 million shares during the year.

▪ KCB Group: FRW 8.4 billion loss

The fair value loss is consistent with the movement in share price for KCB shares. The price fell from KES 38.65 per share (June 2022) to KES 29.3 per share (June 2023). The board also made additional share purchases of 28,000,000 thus increasing the RSSB shares from 51,289,541 to 79,289,541 in 2022 and 2023 respectively.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

d) Significant fair valuation losses during the year ended 30 June 2023 Continued

▪ EQUITY BANK (Group): FRW 4.2 billion loss

The fair value loss is consistent with the movement in share price for Equity Group shares. The price fell from KES 43.2 per share (June 2021) to 38.25 KES per share (June 2023). In addition, RSSB purchased an additional 12 million shares.

▪ RWANDA ULTIMATE GOLF COURSE – FRW 3.4 billion loss

The fair value loss of Frw 3.4 billion is attributed to the net loss of Frw 1.5 billion during the period. It is mainly due to the transition from the cost model to fair value model. RUGC started its operations in August 2021. The first phase (construction of the golf course) was completed in 2020 and has been operational since August 2021. The second phase (construction of the clubhouse) is currently ongoing, while the feasibility study of the third phase (development of a golf resort) was concluded in 2022.

▪ SONARWA GENERAL INSURANCE – FRW 3 billion loss

The fair value loss of Frw 3 billion was due to poor performance of the company during the period. The company reported net loss of Frw 993 million during the period compared to net income of Frw 1.6 billion in the previous year.

▪ BMI (RULIBA and EAGI)- Frw 2.6 billion loss

The fair value loss of Frw 2.6 billion was attributed to the company's net loss during the period of Frw 639 million. The loss in 2022 was mainly driven by the high operating and finance cost. At the previous valuation, the company had reported a net loss of Frw 1.8 billion.

▪ Crystal Telecom/MTN Rwanda: FRW 513 million loss

The fair value loss is backed by the movement in share price for MTN shares. The price fell from Frw 117 per share (June 2022) to Frw 172 per share (June 2023).

29.2. Equity investments – Medical

Equity Investee	Type of equity instrument	%age holding 2023	%age holding 2022	Number of shares held 2023	Number of shares held 2022	Basis of measurement	Carrying Value as at 30 June 2023 Frw'millions	Carrying Value as at 30 June 2022 Frw'millions
Subsidiary								
RWANDA FOREIGN HOLDINGS INVESTMENT COMPANY LIMITED (RFHIC)	Ordinary shares	28.55%	28.55%	2,889,606	2,889,606	Fair value	2,330	1,445
Associate								
BANK OF KIGALI (BK)	Ordinary shares	0.85%	0.85%	7,723,900	7,723,900	Fair value	2,209	2,047
COGEBANQUE sa	Ordinary shares	30.60%	30.60%	21,375	21,375	Fair value	14,158	13,467
CIMERWA Ltd	Ordinary shares	10.12%	10.12%	71,153,020	71,153,020	Fair value	9,392	8,538
Other equity investments								
RWANDA INVESTMENT GROUP LIMITED (RIG)	Ordinary shares	5.22%	5.22%	720	720	Fair value	982	972
EASTERN AND SOUTHERN AFRICA TRADE DEVELOPMENT BANK (FORMERLY PTA BANK)	Ordinary shares	1.12%	1.12%	1,376	1,376	Fair value	25,601	28,988
BRALIRWA	Ordinary shares	0.82%	0.82%	8,404,200	8,404,200	Fair value	1,471	1,345
ZIPLINE	Ordinary shares	N/A	N/A	99,390	0	Cost	4,648	0
KT RWANDA LIMITED	Preference shares	N/A	N/A	11	11	Amortised cost	0	0
TOTAL							60,792	56,802

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

29.2.1. Reconciliation of changes in carrying values of equity investments under medical scheme during the year

a) Summary reconciliation

	2023 Frw'millions	2022 Frw'millions
As at 1 July	56,802	48,686
Prior year adjustment	-	-
Additional Investments during the year	4,648	270
Interest on preference dividends	-	-
Fair valuation gain/(loss) during the year	(658)	7,846
As at 30 June	60,792	56,802

b) Detailed reconciliation per equity investee

Equity Investee	Carrying value as at 1 July 2022 Frw'millions	Additional capital injection during the year Frw'millions	Interest on preference dividends Frw'millions	Disposals during the year Frw'millions	Prior year adjustment - interscheme correction Frw'millions	Fair valuation gain/(loss) Frw'millions	Carrying value as at 30 June 2023 Frw'millions
Subsidiary							
RWANDA FOREIGN HOLDINGS INVESTMENT COMPANY LIMITED (RFHIC)	1,445	-	-	-	-	885	2,330
Associate							
BANK OF KIGALI (BK)	2,047	-	-	-	-	162	2,209
COGEBANQUE SA	13,467	-	-	-	-	692	14,158
CIMERWA LIMITED	8,538	-	-	-	-	854	9,392
Other equity investments							
RWANDA INVESTMENT GROUP LIMITED (RIG)	972	-	-	-	-	10	982
EASTERN AND SOUTHERN AFRICA TRADE DEVELOPMENT BANK (FORMERLY PTA BANK)	28,988	-	-	-	-	(3,387)	25,601
BRALIRWA	1,345	-	-	-	-	126	1,471
ZIPLINE	-	4,648	-	-	-	-	4,648
KT RWANDA LIMITED	-	-	-	-	-	-	-
TOTAL	56,802	4,648	-	-	-	(658)	60,792

NOTES TO THE FINANCIAL STATEMENTS (continued)

29.2.1. Reconciliation of changes in carrying values of equity investments under medical scheme during the year

c) Significant fair valuation gains/losses during the year ended 30 June 2022

- **Eastern and Southern Africa Trade Development Bank: FRW 3.4 billion loss**

The fair value loss is primarily due to the reduction in the net asset value owing to poor performance during the year.

- **CIMERWA – FRW 854 million gain**

The fair value gain is due to the company's continued good performance reflected in the increase of their share price on the Rwanda Stock Exchange from Frw 120 in 2022 to Frw 132 as at 30 June 2023.

- **Cogebanque: FRW 692 million**

The fair value gain is consistent with the company's performance compared which has led to increased net assets of the bank.

- **Rwanda Foreign Holdings Investment Company Limited (RFHIC) – FRW 885 million gain**

The fair value gain is primarily due to increased net assets of the company during the year.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

30. Corporate bonds

		2023	2022
	Sub note	Frw'millions	Frw'millions
Agaciro Development Fund	30.1	8,500	9,726
Crystal Ventures Limited	30.2	23,041	23,069
ENERGICOTEL	30.3	1,120	1,253
GASMETH	30.4	11,463	10,133
UFCL	30.5	14,034	13,518

30. Corporate bonds - Pension

NPD	30.6	15,671	0
		73,829	57,699

Classification of Corporate bonds (Non-current Vs Current)

	2023	2022
	Frw'millions	Frw'millions
Non-current		
Crystal Ventures Limited	21,711	22,541
Agaciro Development Fund	(1,226)	8,301
ENERGICOTEL	1,068	1,096
GASMETH	10,845	9,951
UFCL	9,532	12,435
NPD	9,710	
	41,930	30,842
Current		
Crystal Ventures Limited	1,331	529
Agaciro Development Fund	9,726	1,425
ENERGICOTEL	52	158
GASMETH	617	182
UFCL	4,502	1,083
NPD	5,961	0
	16,228	1,954

30.2. Corporate bond issued by Agaciro Development Fund

	2023	2022
	Frw'millions	Frw'millions
At 1 July	9,773	11,329
Opening balance adjustment	0	(304)
Placement	0.00	0
Accrued interest	1,111	1,223
Maturity	(2,333)	(2,474)
Gross at 30 June	8,551	9,773
Impairment provision (IFRS 9)	(51)	(47)
Net at 30 June	8,500	9,726

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

30.3. Corporate bond issued by Crystal Ventures Limited

	2023	2022
	Frw'millions	Frw'millions
At 1 July	23,180	12,225
Opening balance adjustment	0	304
Placement	0	10,250
Accrued interest	2,841	1,962
Maturity	(2,841)	(1,560)
At 30 June	23,180	23,180
Impairment provision (IFRS 9)	(139)	(111)
Net at 30 June	23,041	23,069

30.4. Corporate bond issued by ENERGICOTEL

	2023	2022
	Frw'millions	Frw'millions
At 1 July	1,259	0
Placement	0	1,250
Accrued interest	151	158
Maturity	(284)	(148)
At 30 June	1,127	1,259
Impairment provision (IFRS 9)	(7)	(6)
Net at 30 June	1,120	1,253

30.5. Corporate bond issued by GASMETH

	2023	2022
	Frw'millions	Frw'millions
At 1 July	10,182	0
Placement	0	10,000
Accrued interest	1,350	182
Maturity	0	0
At 30 June	11,532	10,182
Impairment provision (IFRS 9)	(69)	(49)
Net at 30 June	11,463	10,133

30.6. Corporate bond issued by UFCL

	2023	2022
	Frw'millions	Frw'millions
At 1 July	13,583	0
Placement	500	12,500
Accrued interest	1,536	1,083
Maturity	(1,500)	0
At 30 June	14,119	13,583
Impairment provision (IFRS 9)	(85)	(65)
Net at 30 June	14,034	13,518

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

30.7. Corporate bond issued by NPD

	2023 Frw'millions	2022 Frw'millions
At 1 July	0	0
Placement	15,375	0
Accrued interest	871	0
Maturity	(480)	0
At 30 June	15,765	0
Impairment provision (IFRS 9)	(95)	0
Net at 30 June	15,671	0

31. Treasury bonds

The treasury bonds held by RSSB as at the end of the year per scheme were as follows:

Description	Sub-Note	Balance as at 30-Jun-23 Frw'millions	Balance as at 30-Jun-22 Frw'millions
Treasury bonds - Pension scheme	31.1	315,404	191,768
Treasury bonds - Medical scheme	31.2	129,340	58,763
Treasury bonds - Maternity scheme	31.3	32,357	6,832
Treasury bonds - Ejo Heza scheme	31.4	41,587	27,775
Total		518,687	285,138

Classification of Government Bonds (Non-current Vs Current)

Non-current

Treasury bonds - Pension scheme	309,841	167,534
Treasury bonds - Medical scheme	127,954	52,995
Treasury bonds - Maternity leave scheme	32,365	6,477
Treasury bonds - Ejo Heza	27,651	25,240
Sub-total (1)	497,810	252,247

Current

Treasury bonds - Pension scheme	5,563	24,233
Treasury bonds - Medical scheme	1,386	5,767
Treasury bonds - Maternity leave scheme	(8)	355
Treasury bonds - Ejo Heza	13,937	2,411
Sub-total (2)	20,877	32,766
Grand total (1+2)	518,687	285,013

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

31.2. Treasury bonds – Pension scheme

Particular	2023 Frw'millions	2022 Frw'millions
Opening balance 1 July	192,670	145,870
Prior year adjustments	184	0
Investment during the year	125,250	60,578
Interest income earned during the year	30,475	18,900
Receipts during the year	(31,834)	(31,643)
Cost on T-Bonds	0	0
Late payment on Treasury Bonds	0	(726)
Discount on T-bonds	0	(310)
Closing 30 June	316,745	192,670
Impairment provision	(1,341)	(903)
Closing 30 June	315,404	191,768

The amortized cost of the government securities closely approximates their fair value.

31.3. Treasury bonds – Medical scheme

	2023 Frw'millions	2022 Frw'millions
Opening balance 1 July	59,016	36,029
Investment during the year	86,912	26,810
Interest income earned during the year	11,186	4,965
Receipts during the year	(27,224)	(8,788)
Cost on T-Bonds	0	0
Late payment on T-Bonds	0	(2)
Discount on T-bonds	0	2
Closing 30 June	129,890	59,016
Impairment provision	(550)	(253)
Closing 30 June	129,340	58,763

The amortized cost of the government securities closely approximates their fair value.

31.4. Treasury bonds – maternity leave scheme

	2023 Frw'millions	2022 Frw'millions
Opening balance 1 July	6,864	6,864
Investment during the year	25,694	0
Interest income earned during the year	2,024	756
Receipts during the year	(2,088)	(756)
Cost on T-Bonds	0	0
Discount on T-bonds	0	0
Closing 30 June	32,494	6,864
Impairment provision	(138)	(32)
Closing 30 June	32,357	6,832

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

31.5. Treasury bonds - Ejo Heza

	2023	2022
	Frw'millions	Frw'millions
Opening balance 1 July	27,775	15,657
Investment during the year	15,857	12,681
Interest income earned during the year	4,250	2,496
Receipts during the year	(6,177)	(2,368)
Cost on T-Bonds	0	(588)
Advance payment	0	(103)
Closing 30 June	41,705	27,775
Impairment provision	(118)	(124)
Closing 30 June	41,587	27,651

32. Treasury bills

Description	Sub-Note	Balance as at 30-Jun-23	Balance as at 30-Jun-22
		Frw'millions	Frw'millions
Treasury bills - Pension scheme	32.1	9,568	22,383
Treasury bills - Medical scheme	32.2	32,434	38,046
Treasury bills - Maternity leave scheme	32.3	2,356	1,970
Treasury bills - CBHI	32.4	19,711	0
Total		64,070	62,399

32.2. Treasury bills – Pension scheme

Particular	2023	2022
	Frw'millions	Frw'millions
Opening balance 1 July	22,491	50,227
Opening balance adjustment	0	8
Purchases	21,322	41,357
Interest accrued	1,145	2,506
Late payment on T.Bills	0	(12)
Maturities	(35,350)	(71,593)
Closing 30 June	9,608	22,491
Impairment provision	(41)	(108)
Closing 30 June	9,568	22,383

The amortized cost of the government securities closely approximates their fair value.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

32.3. Treasury bills– Medical scheme

Particular	2023	2022
	Frw'millions	Frw'millions
Opening balance 1 July	38,229	42,556
Purchases	50,705	62,839
Interest accrued	2,878	3,621
Late payment on T.Bills	0	(1)
Maturities	(59,240)	(70,786)
Closing 30 June	32,572	38,229
Impairment provision	(138)	(184)
Closing 30 June	32,434	38,046

The amortized cost of the government securities closely approximates their fair value.

32.4. Treasury bills – Maternity leave scheme

Particular	2023	2022
	Frw'millions	Frw'millions
Opening balance 1 July	1,979	3,954
Purchases	2,275	1,822
Interest accrued	112	184
Maturities	(2,000)	(3,980)
Closing 30 June	2,366	1,979
Impairment provision	(10)	(10)
Closing 30 June	2,356	1,970

The amortized cost of the government securities closely approximates their fair value.

32.5. Treasury bills – CBHI

Particular	2023	2022
	Frw'millions	Frw'millions
Opening balance 1 July	0	0
Purchases	19,781	0
Interest accrued	14	0
Maturities	0	0
Closing 30 June	19,795	0
Impairment provision	(84)	0
Closing 30 June	19,711	0

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

33. Commercial papers

During the year, RSSB invested in commercial papers as follows:

Company issuing commercial paper	Sub-Note	2023 Frw'millions	2022 Frw'millions
HORIZON GROUP	33.1	0	0
NPD Limited	33.1	(0)	(0)
NGALI Holding Limited	33.2	50,658	29,751
RULIBA Clays Ltd	33.3	7,280	
Total		57,938	29,751

Details of the commercial papers are as follows:

33.2. Commercial paper issued by Horizon Group

	2023 Frw'millions	2022 Frw'millions
Opening balance 1 July	-	-
Purchases during the year	-	-
Interest accrued during the year	-	-
Maturities	-	-
Closing 30 June	-	-

On 22 February 2019, Commercial papers with Horizon Group Limited were renewed attracting an annual interest of 11% with a term of 364 days from purchase. This commercial paper matured and was fully settled in 2020.

33.3. Commercial papers issued by NPD Limited

	2023 Frw'millions	2022 Frw'millions
Opening balance 1 July	(0)	12,849
Purchases during the year	0	0
Interest accrued during the year	0	898
Maturities	0	(13,748)
Closing 30 June	(0)	(0)
Impairment provision	(0)	0
Closing 30 June	(0)	(0)

On 15 May 2021, Commercial paper with NPD Limited was extended for 2 months attracting an annual interest of 10%

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

33.4. Commercial papers issued by Ngali Holding Limited

	2023	2022
	Frw'millions	Frw'millions
Opening balance 1 July	30,567	17,250
Purchases during the year	20,000	13,085
Interest accrued during the year	5,025	2,414
Maturities	(4,628)	(2,182)
Closing 30 June	50,963	30,567
Impairment provision	(306)	(816)
Closing 30 June	50,658	29,751

During the year, NH issued a commercial paper of Frw 20 billion attracting an annual interest rate of 12% with a term of 364 days.

33.5. Commercial papers issued by RULIBA Clays Limited

	2023	2022
	Frw'millions	Frw'millions
Opening balance 1 July	0	0
Purchases during the year	7,324	0
Interest accrued during the year	0	0
Maturities	0	0
Closing 30 June	7,324	0
Impairment provision	(44)	0
Closing 30 June	7,280	0

On 30 June 2023, Ruliba issued a commercial paper of Frw 7.3 billion attracting an annual interest rate of 10% with a term of 90 days.

34. Loans and Advances to third parties- Government

		Pension		Medical		CBHI		Maternity leave		Total	
	Sub note	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
		Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Loan to City of Kigali	34.1	0	1,151	0	0	0	0	0	0	0	1,151
Loans to MININFRA	34.2	3,989	3,989	0	0	0	0	0	0	3,989	3,989
Loan to MINECOFIN (CBHI financing loan)	34.3	0	0	26,111	28,795	0	0	0	0	26,111	28,795
Total		3,989	5,140	26,111	28,795	0	0	0	0	30,100	33,935

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Classification of advances to third parties (Non-current Vs Current)

	Pension		Medical		Total	
	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Non-current						
Loan to City of Kigali	0	1,151	0	0	0	1,151
Loans to MININFRA	0	0	0	0	0	0
Loan to MINECOFIN	0	0	26,268	28,933	26,268	28,933
Sub-total (1)	0	1,151	26,268	28,933	26,268	30,084
Current						
Loan to City of Kigali	0	0	0	0	0	0
Loans to MININFRA	3,989	3,989	0	0	3,989	3,989
Loan to MINECOFIN	26,111	0	0	28,795	26,111	28,795
Sub-total (2)	30,100	3,989	0	28,795	30,100	32,784
Grand total (1+2)	30,100	5,140	26,268	35,812	56,368	62,868

34.2. Loan to City of Kigali

	2023	2022
	Frw'millions	Frw'millions
At 1 July	1,156	1,336
Reclassification from MININFRA	165	
Repayments	(1,321)	(180)
At 30 June	0	1,156
Impairment provision		(5)
At 30 June	0	1,151

The loan to City of Kigali is from the agreement for Kibagabaga - Kinyinya road project between City of Kigali, RSSB and Horizon Group where City of Kigali was responsible of contribution for the 60% of the total expropriation cost evaluated for the branch connecting to RSSB and 50% for the branch connecting to Horizon Group LTD investment sites, contribution of 100% cost for the study of road and contract management of all contracts related to this project which is road study and supervision services, road construction works and the expropriation related services. On 21 March 2019, an agreement between RSSB and City of Kigali to provide for the modalities of payment amounts due to RSSB by the City of Kigali was signed. The amounts covered under the agreement are as follows:

Details	Amount (Frw)
Advance for the construction of Kibagabaga – Kinyinya road	876,247,281
Compensation for plot transferred to Well Spring Academy	850,000,000
Total	1,726,247,281

It was agreed that payment would be made over a period of six (6) years from the financial year 2018/2019 to the financial year 2023-2024. Payment was to be executed on a quarterly basis with a payment of Frw 75,000,000 per quarter.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

34.3. Loan to MININFRA

	2023		Total
	Loan for CBD1 Infrastructure	Loan for Partitioning of Kicukiro pension plaza	
	Frw'millions	Frw'millions	Frw'millions
At 1 July	3,859	149	4,009
Reclassification to City of Kigali	(165)		
Additions	0	0	0
Repayments	0	0	0
At 30 June	3,694	149	4,009
Impairment provision	(19)	0	(19)
At 30 June	3,675	149	3,989

34.4. Loan to MINECOFIN (CBHI Subsidy)

	2023	2022
	Frw'millions	Frw'millions
At 1 July	28,933	30,629
Additions	0	0
Repayments	(2,665)	(1,696)
At 30 June	26,268	28,933
Impairment provision	(158)	(139)
At 30 June	26,111	28,795

The Loan to MINECOFIN relates to amounts advanced to Community Based Health Insurance (CBHI) Scheme

35. Mortgages loans

	Pension		Medical		Total	
	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
At 1 July:	11	18	0	0	11	18
Adjustment to opening balance	(45)	2	0	0	(45)	2
Unallocated receipts on Mortgage loans - prior year	46	66	0	0	46	66
Receipts during the year	(27)	(28)	0	0	(27)	(28)
Unallocated receipts of Mortgage loans	0	(46)	0	0	0	(46)
Reclassification to other payables	47	0	0	0	47	0
Balance at the 30 June	32	11	0	0	32	11
Impairment provision	0	0	0	0	0	0
Net balance at 30 June	32	11	0	0	32	11

Classification of Mortgage loans (Non-current Vs Current)

	Pension scheme		Medical scheme		Total	
	At 30 June 2023	At 30 June 2022	At 30 June 2023	At 30 June 2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Non-current	13	5	0	0	13	5
Current	19	7	0	0	19	7
Total	32	11	0	0	32	11

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

36. Inventory

	Pension Scheme		Medical Scheme		CBHI		Maternity leave		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Office suppliers	76	86	71	80	87	98	7	8	241	272
Fuel inventory	1	1	1	1	1	1	0	0	4	3
	77	87	72	81	88	99	7	8	245	275

37. Advances to contractors

	Pension		Medical		CBHI		Maternity leave		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Frw'millio	Frw'millio	Frw'millio	Frw'millio	Frw'millio	Frw'millio	Frw'millio	Frw'millio	Frw'millio	Frw'millio	Frw'millio
ns	ns	ns	ns	ns	ns	ns	ns	ns	ns	ns
ENGINEERING BRIGADE	0	0	0	0	0	0	0	0	0	0
AFRIPRECAST LTD	3,478	6,529	0	0	0	0	0	0	3,478	6,529
Other advances (SPACIAL ENGINEERING LTD)	0	0	31	31	0	0	0	0	31	31
Total	3,478	6,529	31	31	0	0	0	0	3,509	6,560
Impairment provision	(108)	(174)	(1)	(1)	(0)	(0)	(0)	(0)	(109)	(175)
Total (net of impairment)	3,370	6,355	30	30	(0)	(0)	(0)	(0)	3,400	6,385

The advances to Engineering Brigade was reduced by the recognition of work done on Batsinda Housing project-phase 2 by Frw 406 inclusive of taxes the outstanding Frw 1.6 exclusive of taxes was compensated by a land swap between Engineering Brigade/Horizon Group and RSSB following the resolutions in the RSSB extraordinary Board meeting held on 21 August 2020 and a land sale agreement entered into on 12th November 2020. The total land purchase agreement is Frw 3,258,468,000 for 24.16h, RSSB withheld frw 1.6 billion for the advance paid to Engineering brigade/Horizon and paid the difference excluding 10% which will be paid after the transfer of land titles in RSSB names.

Afriprecast Limited has taken up the ongoing contract for the Batsinda Housing project – Phase 2.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

38. Dividends and other income receivable

	Pension		Medical		CBHI		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Dividends receivable	12,430	8,690	1,073	223	0	0	13,504	8,913
Other income receivable	0	0	0	0	0	0	0	0
Total	12,430	8,690	1,073	223	0	0	13,504	8,913
Impairment provision	(75)	(42)	(6)	(1)	0	0	(81)	(43)
Total	12,356	8,649	1,067	222	0	0	13,423	8,870

38. (a) Summary reconciliation of movement in dividend receivable

	Year ended 30 June 2023		Total
	Pension	Medical	
	Frw'millions	Frw'millions	Frw'millions
Opening balance	8,690	223	8,913
Dividends declared	21,030	3,057	24,087
Dividends received	(17,290)	(2,207)	(19,497)
Dividends converted into share capital	0	0	0
Gross dividend receivable	12,430	1,073	13,504
Impairment provision	(75)	(6)	(81)
Net dividend receivable	12,356	1,067	13,423

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

38. (b) Detailed reconciliation of movement in dividends receivable per equity investee – Pension scheme

	At 1 July 2022 Frw'millions	Dividend declared Frw'millions	Dividend received Frw'millions	Dividend converted into share capital Frw'millions	At 30 June 2023 Frw'millions
Local investments					
Bank of Kigali Limited	8,690	9,850	(8,690)	0	9,850
Crystal Telecom Ltd	0	796	(796)	0	0
Ruliba Clays Limited	0	0	0	0	0
Inyangye Industries	0	0	0	0	0
Rwanda Investment Group	(0)	324	(324)	0	(0)
Brasserie El Limonaderie Du Rwanda (BRALIRWA)	0	1,740	(1,740)	0	0
Rwanda stock exchange	0	17	(17)	0	0
Rwanda Free Trade Zone	0	0	0	0	0
Cogebanque	0	0	0	0	0
I&M Bank	0	138	(138)	0	0
CIMWERA	0	1,062	(1,062)	0	0
Sub-total (1)	8,690	13,927	(12,767)	0	9,850
Foreign investments					
Safaricom Limited	0	560	(560)	0	0
Eastern and Southern Africa Trade development bank	0	1,452	(635)	0	817
Afexim Bank	0	84	(84)	0	0
EABL		253	(253)		0
Equity bank group		2,803	(1,950)		854
KCB Group	0	1,950	(1,040)	0	909
Sub-total (2)	0	7,103	(4,523)	0	2,580
Grand total (1+2)	8,690	21,030	(17,290)	0	12,429

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

	At 1 July 2021 Frw'millions	Dividend declared Frw'millions	Dividend received Frw'millions	Dividend converted into share capital Frw'millions	At 30 June 2022 Frw'millions
Local investments					
Bank of Kigali Limited	4,363	8,690	(4,363)	0	8,690
Crystal Telecom Ltd	0	1,041	(1,041)	0	0
Ruliba Clays Limited	0	0	0	0	0
Inyange Industries	0	0	0	0	0
Rwanda Investment Group	(0)	96	(96)	0	(0)
Brasserie El Limonaderie Du Rwanda (BRALIRWA)	0	859	(859)	0	0
Rwanda stock exchange	6	3	(8)	0	1
Rwanda Free Trade Zone	0	29	(29)	0	0
Cogebanque	0	0	0	0	0
I&M Bank	0	119	(119)	0	0
Sub-total (1)	4,368	10,835	(6,513)	0	8,690
Foreign investments					
Safaricom Limited	0	443	(443)	0	0
Eastern and Southern Africa Trade development bank	330	586	(586)	(330)	0
Afexim Bank	0	67	(67)	0	0
KCB Group	0	230	(230)	0	0
Sub-total (2)	330	1,326	(1,326)	(330)	0
Grand total (1+2)	4,698	12,160	(7,838)	(330)	8,690

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

38. (c) Detailed reconciliation of movement in dividends receivable per equity investee – Medical scheme

	At 1 July 2022 Frw'millions	Dividend declared Frw'millions	Dividend received Frw'millions	Dividend converted into share capital Frw'millions	At 30 June 2023 Frw'millions
Local investments					
Bank of Kigali Limited	223	251	(223)	0	251
Rwanda Investment Group	0	97	(97)	0	0
Brasserie Et Limonaderie Du Rwanda (BRALIRWA)	0	184	(184)	0	0
CIMWERA		1,062	(1,062)		0
Sub-total (1)	223	1,595	(1,567)	0	251
Foreign investments					
PTA Bank	(0)	1,462	(640)		822
Sub-total (2)	(0)	1,462	(640)	0	822
Grand total (1+2)	223	3,057	(2,207)	0	1,073
	At 1 July 2021 Frw'millions	Dividend declared Frw'millions	Dividend received Frw'millions	Dividend converted into share capital Frw'millions	At 30 June 2022 Frw'millions
Local investments					
Bank of Kigali Limited	111	223	(111)	0	223
Rwanda Investment Group	0	29	(29)	0	0
Brasserie Et Limonaderie Du Rwanda (BRALIRWA)	0	143	(143)	0	0
Sub-total (1)	111	395	(283)	0	223
Foreign investments					
PTA Bank	270	592	(592)	(270)	(0)
Sub-total (2)	270	592	(592)	(270)	(0)
Grand total (1+2)	381	987	(875)	(270)	223

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

39. Other assets

	Pension		Medical		CBHT		Maternity leave		Ejo Heza		Total	
	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$
STAFF ADVANCES	0	0	0	0	0	0	0	0	0	0	0	0
FORMER STAFF ADVANCES	30	33	0	30	0	10	0	0	0	0	30	73
OTHER ADVANCES AND DEPOSITS	0	0	0	0	0	0	0	0	0	0	0	0
OTHER RENTAL RECEIVABLE	11	13	0	(3)	0	(1)	0	(0)	0	0	11	9
KICUKIRO PENSION PLAZA TENANTS	21	21	0	0	0	0	0	0	0	0	21	21
GRAND PENSION PLAZA TENANTS	371	320	0	0	0	0	0	0	0	0	371	320
NYANZA PENSION PLAZA TENANTS	32	10	0	0	0	0	0	0	0	0	32	10
MUSANZE PENSION PLAZA TENANTS	86	254	0	0	0	0	0	0	0	0	86	254
KARONGI PENSION PLAZA TENANTS	113	55	0	0	0	0	0	0	0	0	113	55
RWAMAGANA PENSION PLAZA TENANTS	7	7	0	0	0	0	0	0	0	0	7	7
DOCTORS' PLAZA TENANTS	0	0	1	(8)	0	0	0	0	0	0	1	(8)
CRYSTAL PLAZA	423	423	0	0	0	0	0	0	0	0	423	423
MUTARA ENTERPRISE BUILDING	18	18	0	0	0	0	0	0	0	0	18	18
TOWER 2 TENANTS	(2)	0	44	17	0	0	0	0	0	0	42	17
NYARUTARAMA PLAZA	845	1,001	0	0	0	0	0	0	0	0	845	1,001
STAFF ADVANCES	0	0	0	(0)	0	(3)	0	0	0	0	0	(3)
OTHER DEDUCTIONS	(0)	0	0	0	0	0	0	0	0	0	(0)	0
SONARWA GROUP INSURANCE	0	0	0	0	0	0	0	0	0	0	0	0
STAFF PLEDGES	0	0	0	(0)	0	(0)	0	(0)	0	0	0	(0)
ISHEMA RYACU	4	4	4	4	5	5	(0)	0	0	0	13	13
PETTY CASH SHORTAGE	0	0	0	0	0	1	0	0	0	0	0	1
SALARY REVERSALS	0	(2)	0	2	0	20	0	0	0	0	0	20
ADVANCE TO BE JUSTIFIED	13	(8)	0	0	0	61	0	1	0	0	13	64
OTHER DEBTORS	4,896	776	0	38	0	6,129	0	3	0	0	4,896	6,945
KCC DEBT	11	437	0	0	0	0	0	0	0	0	11	437
BATINDA HOUSE DEBTORS	(17)	(17)	0	0	0	0	0	0	0	0	(17)	(17)
WITHHOLDING TAX RETAINED	30	31	0	22	0	0	0	0	0	0	30	53

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	Pension		Medical		CBHI		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million	Frw'million
LOAN TO EJO HEZA	0	0	0	0	0	0	0	0	0	0	0	0
OTHER RECEIVABLES	28	120	0	132	0	49	0	13	0	0	28	314
INTERSCHEME TRANSFER	1	0	0	0	0	0	0	0	0	0	1	0
PREPAYMENT	34	45	0	30	0	28	0	3	0	0	34	105
INTEREST RECEIVABLE	0	0	0	0	0	0	0	0	0	0	0	0
Total	6,955	3,543	49	273	5	6,298	(0)	20	0	0	7,009	10,134
IMPAIRMENT PROVISION	(45)	(22)	(2)	(1)	(90)	(28)	(0)	(0)	0	0	(136)	(51)
Total (net of impairment)	6,910	3,521	47	272	(85)	6,270	(0)	20	0	0	6,873	10,083

Other assets largely comprise rental receivables and CBHI related receivables from different sources of income.

40. Due from (Due to) other schemes

	Pension		Medical		CBHI		Maternity leave		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
INTERSCHEME LOAN RECEIVABLE	(6,204)	(1,116)	6,553	872	(27)	(34)	(232)	278	0	(0)
INTERSCHEME LOAN PAYABLES	0	0	0	0	0	0	0	0	0	0
Net due from/(due to) other schemes	(6,204)	(1,116)	6,553	872	(27)	(34)	(232)	278	0	(0)

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

41. Deposits with financial institutions

	Pension		Medical		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Long term deposits										
Rwanda Development Bank	19,049	21,165	20,008	22,231	0	0	0	0	39,056	43,396
AB Bank	0	0	0	0	0	0	0	0	0	0
Bank of Africa	1,101	0	0	0	0	0	0	0	1,101	0
Bank of Kigali	22,341	9,497	2,018	0	0	0	0	0	24,359	9,497
Bank Populaire du Rwanda (Atlas Mara)	2,076	2,088	6,444	10,808	822	0	0	0	9,342	12,896
Kenya Commercial Bank	1,790	591	1,105	29	0	0	0	0	2,896	620
CoopBankque	0	0	0	0	515	0	0	0	515	0
Commercial Bank of Africa (Rwanda)	0	0	0	0	0	0	0	0	0	0
Equity Bank Rwanda Limited	0	0	2,062	2,062	0	0	0	0	2,062	2,062
Access Bank Rwanda	1,051	0	1,120	0	0	0	0	0	2,181	0
ECOBANK Rwanda Limited	1,049	0	0	0	0	0	0	0	1,049	0
Zigama CSS	33,927	27,692	24,637	12,434	0	0	0	0	58,565	40,127
Jali	0	0	0	0	539	0	0	0	539	0
I&M Bank Rwanda Limited	0	0	1,635	0	0	0	0	0	1,635	0
Sub-total (1)	82,393	61,034	59,029	47,563	1,877	0	0	0	143,299	108,597
Short term deposits										
AB-BANK Rwanda Limited	0	1,830	0	0	1,339	288	0	0	1,339	2,088
Bank of Africa	4,327	0	0	0	0	0	0	0	4,327	0
Bank of Kigali Limited	19,346	30,497	21,738	23,790	0	9,707	0	0	41,084	63,994
Bank Populaire du Rwanda (Atlas Mara)	0	0	12,306	7,340	4,308	0	529	0	17,142	7,340
CoopBankque	0	0	1	5,153	4,622	5,153	0	0	4,623	10,307
ECOBANK Rwanda Limited	4,170	5,244	0	0	0	0	0	0	4,170	5,244
Equity Bank Rwanda Limited	0	(0)	0	14,016	0	3,603	0	0	0	17,020
I&M Bank Rwanda Limited	0	0	14,564	0	0	0	0	0	14,564	0
Kenya Commercial Bank	5,286	18,431	14,995	19,383	0	5,138	0	0	20,281	42,952
LETSHEGO Bank	0	0	0	0	0	0	0	0	0	0
Unguka Bank	0	0	0	0	0	0	735	811	735	811
Zigama CSS	0	0	0	4,130	0	0	0	0	0	4,130
Commercial Bank of Africa (Rwanda)	0	0	0	0	0	0	1,063	800	1,063	800

RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	Pension		Medical		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Jali	0	324	0	0	321	0	0	0	321	324
Access Bank Rwanda	2,106	0	12,898	10,595	0	0	0	0	15,004	10,595
GT Bank	0	0	0	0	0	0	0	500	0	500
DUTERIMERE IMF Plc	0	0	0	0	0	0	806	500	806	500
Gashen	0	0	0	0	0	0	823	0	823	0
Sub-total (2)	35,236	56,326	76,501	84,406	10,589	23,260	3,956	2,611	126,282	166,603
41.2										
Call deposit - KCB	0	(0)	0	0	0	0	0	0	0	(0)
Sub-total (3)	0	(0)	0	0	0	0	0	0	0	(0)
41.3										
Bank of Kigali - Nest fund (long term deposit)	49	5,194	0	0	0	0	0	0	49	5,194
Sub-total (4)	49	5,194	0	0	0	0	0	0	49	5,194
41.4										
Grand total (1+2+3+4)	117,678	122,553	135,539	131,970	12,466	23,260	3,956	2,611	269,630	280,394
Impairment provision	(671)	(605)	(773)	(652)	(71)	(15)	(15)	(15)	(1,529)	(1,257)
Total (net of impairment)	117,007	121,948	134,757	131,318	12,395	23,260	3,941	2,611	268,100	279,136

Classification of deposits with financial institutions (Non-current Vs Current)

	Pension		Medical		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Non-current	81,771	65,632	58,257	46,911	1,806	0	0	0	141,833	112,534
Current	35,236	56,326	76,501	84,406	10,589	23,260	3,941	2,611	126,267	166,603
	117,007	121,948	134,757	131,318	12,395	23,260	3,941	2,611	268,100	279,136

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

41.1. Reconciliation of movement in long term deposit during the year

	Pension	Medical	Maternity Leave	Total
	2023	2023	2023	2023
	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Opening 1 July	61,034	47,563	0	108,596
Prior year adjustment	0	0	0	0
Placements	22,300	18,100	1,800	42,200
Interest accrued during the year	6,986	5,702	77	12,765
Late payment penalties/interest				0
Receipts during the year	(7,926)	(12,316)	0	(20,242)
Closing 30 June	82,393	59,029	1,877	143,299

41.2. Reconciliation of movement in short term deposits in financial institutions during the year

	Pension	Medical	Maternity leave	Ejo Ilera	Total
	2023	2023	2023	2023	2023
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Opening 1 July	56,326	84,406	23,260	2,611	166,603
Adjustment to opening balances	0	0	0	0	0
Placements during the year	32,700	71,500	10,300	3,800	118,300
Interest accrued during the year	3,518	8,773	1,538	253	14,083
Maturities	(57,267)	(88,660)	(34,460)	(2,709)	(172,525)
Interest on late payments of short-term deposits	(41)	(119)	(19)	0	(179)
Closing 30 June	35,236	76,501	10,589	3,956	126,282

41.3. Reconciliation of movement in Bank of Kigali – Nest Fund

	2023	2022
	Frw'millions	Frw'millions
Opening 1 July	5,194	5,192
Adjustment to opening balances	(5)	
Interest accrued during the year	149	247
Maturities	(5,290)	(245)
Closing 30 June	49	5,194

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

42. Cash and bank balances

	Pension		Medical		CBHI		Maternity leave		Ejo Itesa		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
BNR and Commercial banks	68,862	105,724	43,417	71,498	8,975	16,109	5,187	6,761	1,514	1,231	127,857	203,323
Interest receivable	(392)	(524)	(247)	(363)	(54)	(86)	(31)	(35)	13	0	13	0
Impairment provision												
BNR and Commercial banks (balances net of impairment)	68,470	105,200	43,170	71,135	8,921	16,023	5,156	6,726	1,519	1,231	127,235	202,315
Savings and Credit Societies (SACCOs)	0	0	0	0	0	0	0	0	0	0	0	0
Monetary	0	0	0	0	154	168	0	0	(4)	4	150	173
Petty cash	8	9	7	8	9	11	1	1	0	0	25	29
Transit accounts	19	265	17	67	116	295	2	5	0	0	154	633
	68,497	105,474	43,195	71,211	9,200	16,497	5,158	6,732	1,515	1,235	127,565	203,149

43. Payables

43. (a) Benefits Payable

	Pension		Medical		CBHI		Maternity leave		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Benefits payables	0	0	14,334	14,334	9,396	22,646	19,440	291	368	37,271
	0	0	14,334	14,334	9,396	22,646	19,440	291	368	37,271

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

43. (b) Other payables

	Pension		Medical		CBHI		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw
SUPPLIERS	472	595	1,233	940	395	343	32	6	0	0	2,133	1,884
SUPPLIERS FOR MATERNITY LEAVE	0	0	0	0	0	0	140	72	0	0	140	72
ADVANCE TO SUPPLIERS	(0)	(0)	(0)	(0)	0	0	0	0	0	0	(0)	(0)
CONTRIBUTIONS	(77,951)	(72,164)	0	0	0	0	0	0	0	0	(77,951)	(72,164)
VOLUNTARY CONTRIBUTIONS	116	231	0	0	0	0	0	0	0	0	116	231
UNIDENTIFIED CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0	0	0
CONTRIBUTIONS DECLARED NOT YET PAID/PENSION	(20,523)	(20,346)	0	0	0	0	0	0	0	0	(20,523)	(20,346)
CONTRIBUTIONS PENALTIES DECLARED NOT YET PAID/PENSION	43,806	39,772	0	0	0	0	0	0	0	0	43,806	39,772
ESTIMATION FOR NON-DECLARED CONTRIBUTIONS	54,553	52,508	0	0	0	0	0	0	0	0	54,553	52,508
MEDICAL CONTRIBUTIONS RECEIVABLE	0	0	13,312	10,710	0	0	0	0	0	0	13,312	10,710
CONTRIBUTIONS DECLARED NOT YET PAID/MEDICAL	0	0	(16,676)	(14,075)	0	0	0	0	0	0	(16,676)	(14,075)
ESTIMATION FOR NON-DECLARED CONTRIBUTIONS AND PENALTIES/MEDICAL	0	0	3,365	3,365	0	0	0	0	0	0	3,365	3,365
CBHI CONTRIBUTIONS RECEIVABLE	0	0	0	0	(1,525)	(1,539)	0	0	0	0	(1,525)	(1,539)
CBHI VOLUNTARY CONTRIBUTIONS	0	0	0	0	(0)	(0)	0	0	0	0	(0)	(0)
CBHI CONTRIBUTIONS DECLARED NOT YET PAID	0	0	0	0	1,056	1,584	0	0	0	0	1,056	1,584
CBHI CONTRIBUTIONS PENALTIES DECLARED NOT YET PAID	0	0	0	0	450	254	0	0	0	0	450	254
ML CONTRIBUTORS	0	0	0	0	0	0	145	25	0	0	145	25
ML UNIDENTIFIED	0	0	0	0	0	0	4	0	0	0	4	0
ML CONTRIBUTIONS DECLARED NOT YET PAID	0	0	0	0	0	0	(1,049)	(545)	0	0	(1,049)	(545)
ML CONTRIBUTIONS PENALTIES DECLARED NOT YET PAID	0	0	0	0	0	0	866	513	0	0	866	513
ML ESTIMATION FOR NON-DECLARED CONTRIBUTIONS	0	0	0	0	20	1	38	8	0	0	58	9
STAFF SALARIES PAYABLE	4	0	1	0	(0)	22	0	(0)	0	0	4	23
SOLIDARITY FUND	18	(0)	17	0	25	0	3	0	0	0	63	0
CESTRAR CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0	0	0
DEDUCTIONS FOR CAISSE D'ENTRAIDE MUTUELLE	0	0	0	0	0	0	0	0	0	0	0	0
STAFF CONTRIBUTION TO FORTUNE	1	0	1	0	2	(0)	0	0	0	0	3	0
SONARWA INDIVIDUAL INSURANCE	0	0	0	0	0	0	0	0	0	0	0	0

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	Pension		Medical		CBHI		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw
SFAR DEDUCTIONS	0	0	0	0	1	(0)	0	(0)	0	0	1	(0)
CORAR INSURANCE	(0)	(0)	0	0	0	0	0	0	0	0	0	0
SORAS INDIVIDUAL INSURANCE	0	0	1	0	6	(0)	0	(0)	0	0	7	(0)
AGACIRO DEVELOPMENT FUND	0	0	0	0	(0)	(0)	0	0	0	0	0	0
PRIME LIFE INSURANCE	0	0	0	0	1	0	0	0	0	0	1	0
EJO HEZA	1	(1)	1	(1)	2	(2)	0	(0)	0	0	3	(3)
OTHER SALARY REVERSALS	0	(0)	0	(0)	0	2	0	0	0	0	0	2
RRR-WHT	(121)	(66)	392	346	(230)	(243)	0	(3)	0	0	41	35
PAYE	60	50	59	54	131	135	7	6	0	0	258	246
VAT (VALUE ADDED TAX)	1,078	923	(839)	(323)	(157)	(203)	2	(0)	0	0	84	396
VAT (VALUE ADDED TAX) FROM RENTALS	(61)	(9)	0	0	0	0	0	0	0	0	(61)	(9)
PENSION BENEFIT PAYABLE	159	122	0	0	0	0	0	0	0	0	159	122
OH BENEFIT PAYABLE	6	7	0	0	0	0	0	0	0	0	6	7
PENSION BENEFITS RETURNED UNPAID	12	12	0	0	0	0	0	0	0	0	12	12
OCCUPATIONAL HAZARD BENEFITS RETURNED UNPAID	(1)	(1)	0	0	0	0	0	0	0	0	(1)	(1)
OPGEL PAYABLE	45	35	0	0	0	0	0	0	0	0	45	35
CONTRIBUTION DUE TO EMPLOYEES FROM BURUNDI	110	111	0	0	0	0	0	0	0	0	110	111
ELECTRICITY ADVANCES TO TENANTS	(0)	0	0	0	(0)	0	(0)	0	0	0	(0)	0
RSSB/PENSION & OH	13	11	12	12	32	33	0	1	0	0	58	56
RSSB/RAMA	19	16	19	18	51	52	2	2	0	0	91	87
OTHER CREDITORS	47	0	0	0	0	0	0	0	0	0	47	0
RSSB/MATERNITY	0	0	1	1	2	2	0	0	0	0	3	4
RSSB/CBHI 0.5	1	0	1	0	2	1	0	0	0	0	3	2
OTHER MISCELLANEOUS CREDITORS	82	1,064	60	6	11,965	14,485	19	17	0	0	12,126	15,513
AREAS CBHI	0	0	0	0	1,131	1,131	0	0	0	0	1,131	1,131
CHARGES A PAYER	14	2	13	2	16	2	1	0	202	145	246	150
PRODUITS CONSTATES D'AVANCE	121	48	23	0	0	0	0	0	0	0	144	48
TOTAL	2,080	2,859	993	1,055	13,375	15,761	211	102	145	145	16,960	19,930

Other creditors mainly represent advance payments received by CBHI from members for the subsequent year, supplier balances and CBHI Arrears recovered but not yet remitted to MINECOFIN.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

44. Deferred income- Ejo Heza

	Pension		Medical		CBHI		Maternity leave		Ejo Heza		Total	
	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$	2023 Frw'million \$	2022 Frw'million \$
MINECOFIN deferred income- unutilised funds	0	0	0	0	0	0	0	0	1,085	581	219	581
AFR deferred income (Intangible asset)	0	0	0	0	0	0	0	0	219	257	1,086	257
AFR deferred income (PPE)	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	1,305	837	1,305	837

The balance for deferred income on Property, Plant and Equipment and intangible assets is equivalent to the netbook value of the assets as at the reporting date. Deferred income from MINECOFIN represents unutilised balance on operational bank account net of any outstanding payables at the reporting date.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

45. Capital Accumulated members funds and retained earnings

(a) Share capital

	Pension Frw	Medical Frw	Total Frw
At 1 July 2021	53	1,179	1,232
At 30 June 2022	53	1,179	1,232
At 1 July 2022	53	1,179	1,232
At 30 June 2023	53	1,179	1,232

This reserve records all transfers received from the Government of Rwanda through the Ministry of Finance and Economic Planning (MINECOFIN) which are designated as capital to the Board

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

45. (b) Accumulated members funds and retained earnings

Retained earnings relate to surpluses from the medical and pension division not converted to statutory reserve. Accumulated members' funds represent the surplus on the other reserves of occupational Hazards. Movements in the reserve are shown on the statement of members fund. For *Ejo Heza*, net income earned has been reported as retained earnings and not allocated to the members fund. Changes in fair value of equity investments through profit and loss is presented in a fair value reserve and not processed through retained earnings.

	Pension		Medical		CBHI		Maternity leave		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns	Frw'millio-ns
At 1 July (A)	415,396	376,382	371,670	327,674	(12,320)	(22,303)	38,634	28,289	3,116	1,165	816,494	711,207
Adjustments to opening balances (B)	(1)	1	(1)	1	(3)	2	(6)	0	(51)	59	(55)	62
Alignment of net income for the year to reserves											0	0
Net income for the year (1)	170,341	146,804	57,240	51,694	20,667	9,981	12,926	10,344	15,019	15,044	276,193	235,868
Alignment of net income for the year to statutory reserves and fair value reserve (2)	(114,353)	(123,427)	658	(9,699)	0	0	0	0	0	0	(113,694)	(133,126)
Alignment of increase in occupational hazard reserve - technical	0	15,636	0	0	0	0	0	0	0	0	0	15,636
Net increase in Ejo Heza member funds									(11,120)	(13,152)	(11,120)	(13,152)
Net increase in Ejo Heza unallocated member funds									0	0	0	0
Net income for year after allotment (C=1+2)	55,988	39,013	57,899	43,995	20,667	9,981	12,926	10,344	3,899	1,892	151,379	105,225
At 30 June (D=A+B+C+D)	471,384	415,396	429,568	371,670	8,345	(12,320)	51,560	38,634	6,964	3,116	967,819	816,494

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

46. Revaluation reserve

The revaluation surplus represents the surplus on the revaluation of land, buildings and investment properties and is non-distributable. Movements in the reserve are shown on the statement of changes in equity.

	Pension Frw'millions	Medical Frw'millions	Total Frw'millions
At 1 July 2021	79,707	5,981	85,688
Revaluation gain/(loss)	7,441	1,854	9,294
At 30 June 2022	87,148	7,834	94,982
At 1 July 2022	87,148	7,834	94,982
Revaluation gain/(loss)	0	0	0
At 30 June 2023	87,148	7,834	94,982

47. Fair value reserve

The fair value reserve represents the surplus on the revaluation of equity investments at fair value through profit and loss, and investment properties. This surplus is non-distributable. Movements in the reserve are shown on the statement of changes in equity. The revaluation has no deferred tax impact as RSSB is tax exempt by law.

	Pension		Medical		Total	
	2023	2022	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
At 1 July (A)	(42,776)	(44,621)	22,186	14,340	(20,590)	(30,281)
Adjustment to opening balance		0			0	0
Allotment of increase in net assets during the year - gain/(loss) arising from changes in fair values of equity investments (B)	(16,588)	1,845	(658)	7,846	(17,247)	9,691
Allotment of increase in net assets during the year - gain/(loss) arising from change in fair value of investment properties	0	0	0	0	0	0
At 30 June (D=A+B)	(59,364)	(42,776)	21,527	22,186	(37,837)	(20,590)

48. Statutory reserves

The statutory reserves are set out by decree law of 22 August 1974 concerning organisation of Social Security. Article 15 of the Law stipulates that the National Social Security Institutions provide the following reserves for both the occupational hazards and pensions branches;

- Pension Working Capital reserve is equivalent to a quarter of the total expenses of the pension's branch previous year
- Pension Technical reserve should not be lower than the total expenses of the branch for the current three years
- Occupational Hazards Technical reserve must be equal to twelve times the total amount of occupational hazards paid during the year
- Occupational Hazards Security reserve is equal to a quarter of the expenses incurred during the last three years
- Occupational Hazards Working capital reserve should be equal to a quarter of the expenses of the previous year.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

48. Statutory reserves continued

Statutory reserves as at the end of the year were as follows:

		2023 Frw'millions	2022 Frw'millions
Occupational hazard reserve -technical	48.1	65,401	63,922
Occupational hazard reserve -Security	48.2	9,646	8,668
Occupational hazard reserve- Working capital	48.3	3,475	3,141
Sub-total (1)		78,522	75,732
Pension reserve- technical	48.4	799,196	681,035
Pension reserve- working capital	48.5	56,482	46,492
Sub-total (2)		855,678	727,527
Total		934,200	803,259

48.1. Occupational hazard reserve -technical

		Pension 2023 Frw'millions	2022 Frw'millions
At 1 July (A)		63,922	78,225
Allotment of increase in net assets during the year (B)	49.1 (a)	1,479	1,333
Allotment of decrease in occupational hazard reserve - technical		0	(15,636)
At 30 June (C=A+B)		65,401	63,922

48.1 (a) Reconciliation of allotment of net income for the year to reserve

	Amount (Frw'millions)
Occupational hazard benefit paid during the year ended 30 June 2023 (B) [See note 10.1]	1,479
Allocation of increase in net assets to Occupational hazard technical reserve (Bx12)	1,479
Occupational hazard benefit paid during the year ended 30 June 2022 [See note 10.1]	1,333
Allocation of increase in net assets to Occupational hazard technical reserve (Bx12)	15,997

48.2. Occupational hazard reserve -Security

		Pension 2023 Frw'millions	2022 Frw'millions
At 1 July (A)		8,668	7,769
Allotment of increase in net assets during the year (B)	49.2 (a)	978	899
At 30 June (C=A+B)		9,646	8,668

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

48.2 (a) Reconciliation of allotment of net income for the year to reserve

	Amount (Frw'millions)
Total occupational hazard benefits expense 2020	343
Total occupational hazard benefits expense 2021	371
Total occupational hazard benefits expense 2022	437
Total occupational hazards benefit expenses paid in the last three years (A)	1,151

Allocation of increase in net assets of pension scheme to reserve (C=Ax25%)

288

	Amount (Frw'millions)
Total occupational hazard benefits expense 2020	814
Total occupational hazard benefits expense 2021	1,050
Total occupational hazard benefits expense 2022	896
Total occupational hazards benefit expenses paid in the last three years (A)	2,761

Allocation of increase in net assets of pension scheme to reserve (C=Ax25%)

690

48.3. Occupational hazard reserve- Working capital

		Pension	
		2023	2022
		Frw'millions	Frw'millions
At 1 July (A)		3,141	2,786
Allotment of increase in net assets during the year (B)	49.3(a)	333	355
At 30 June (C=A+B)		3,475	3,141

48.3 (a) Reconciliation of allotment of net income for the year to reserve

	Amount (Frw'millions)
Total occupational hazard benefits expense 2022	437
Allocation of increase in net assets of pension scheme to reserve (Frw) (B=Ax25%)	109
Total occupational hazard benefits expense 2022	896
Allocation of increase in net assets of pension scheme to reserve (Frw) (B=Ax25%)	224

48.4. Pension reserve- technical

		Pension	
		2023	2022
		Frw'millions	Frw'millions
At 1 July (A)		681,035	577,938
Allotment of increase in net assets during the year (B)	49.4 (a)	118,161	103,097
At 30 June (C=A+B)		799,196	681,035

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

48.4 (a) Reconciliation of allotment of net income for the year

	Amount (Frw'millions)
Total Pension benefits expense (Paid to Pensioners) 2021	29,300
Total Pension benefits expense (Paid to Pensioners) 2022	34,501
Total Pension benefits expense (Paid to Pensioners) 2023	38,545
Total benefits expense for the last three years (A)	102,346

Allocation of net assets to pension technical reserve (B=A)

102,346

	Amount (Frw'millions)
Total Pension benefits expense (Paid to deceased members Beneficiaries) 2021	4,527
Total Pension benefits expense (Paid to deceased members Beneficiaries) 2022	5,458
Total Pension benefits expense (Paid to deceased members Beneficiaries) 2023	5,831
Total benefits expense for the last three years (A)	15,815

Allocation of net assets to pension technical reserve (B=A)

15,815

48.5. Pension reserve- working capital

		Pension	
		2023	2022
		Frw'millions	Frw'millions
At 1 July (A)		46,492	38,035
Allocation of increase in net assets during the year (B)	49.5 (a)	9,990	8,457
At 30 June (C=A+B)		56,482	46,492

48.5. (a) Reconciliation of allocation of net income for the year to reserve

	Amount (Frw'millions)
Benefits paid to pensioners in 2022 (A) [see note 10.1]	34,501
Allocation of increase in net assets to Pension working capital reserve for the year (B=A*25%)	8,625

	Amount (Frw'millions)
Benefits paid to pensioners in 2022 (A)	5,458
Allocation of increase in net assets to Pension working capital reserve for the year (B=A*25%)	1,364

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

49. Unallocated pension contribution reserve

	Pension		Total	
	2023	2022	2023	2022
	Frw'millions	Frw'millions	Frw'millions	Frw'millions
At 1 July (A)	1,964	1,910	1,964	1,910
Reclassification of unallocated contributions from other payables to reserves	(0)	(7)	(0)	(7)
Unallocated contributions received during the year (B)	164	172	164	172
Allocation of previously unallocated contributions to member accounts (C)	(93)	(111)	(93)	(111)
At 31 July D=(A+B-C)	2,036	1,964	2,036	1,964

50. Ejo Heza Member funds

	Ejo Heza	
	2023	2022
	Frw'millions	Frw'millions
Accumulated member funds (allocated member contributions)	38,730	27,610
Reserve for unallocated member contributions	105	46
	38,835	27,656

Accumulated member funds (member contributions/savings)

	Ejo Heza	
	2023	2022
	Frw'millions	Frw'millions
As at 1 July	27,610	14,458
Member contributions during the year allocated	11,120	11,446
Government contributions during the year allocated	0	1,706
As at 30 June	38,730	27,610

51. Contingent liabilities

The Board is a litigant in various cases for breach of contract arising in the normal course of business. The directors are of the view that the Board has high chances of success against the plaintiffs and none of the cases individually or in aggregate would have a significant impact on the RSSB's operations. The directors are confident that the Board shall receive favourable ruling from the outstanding cases. Information on these cases has not been disclosed as the directors consider that the disclosure of the information could prejudice the Board's position. The cases in which the Board is a litigant majorly relate to alleged breach of contracts that the Board entered into and members suing for their unsettled benefit claims.

Other than the above cases and liability to pay future pensions and other benefits, there were no contingent liabilities at 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)

52. Related parties

The Rwanda Social Security Board operates under the Ministry of Finance and Economic Planning (MINECOFIN). In accordance with Law No 45 of 2010 establishing the Rwanda Social Security Board and determining its mission, organization and functioning, the Prime Minister appoints the directors to the Board of RSSB. RSSB considers the Government of Rwanda ("GoR") to be in a position to exercise significant influence over it, and therefore regards GoR and several of its bodies as related parties for the purpose of the disclosures required by IAS 24 (2009) *Related Parties Disclosures*

RSSB has elected to adopt the exemption available in paragraph 25 of IAS 24, and therefore has not provided detailed disclosure of its transactions with GoR and its agencies. A summary of the Board's transactions with the GoR and its bodies is included below:

- RSSB advanced amounts to the City of Kigali, Ministry of Infrastructure and Ministry of Finance and Economic Planning. Details of these advances are disclosed in note 33 to these financial statements.
- RSSB in the normal course of its investment and treasury operations during the year purchased treasury bonds and bills as reflected in notes 30 and 31 to the financial statements. RSSB also places term deposits and operates current bank accounts with the following institutions which are related parties;
 - National Bank of Rwanda (BNR) which is the central bank of the Republic of Rwanda.
 - Rwanda Development Bank (BRD) - RSSB held 32.2% of ordinary shares in BRD as at 30 June 2023.
 - Bank of Kigali (BK) – RSSB held 34.3% of ordinary shares in BK as at 30 June 2023.
 - Cogebanque SA – RSSB held 30.6% of ordinary shares in Cogebanque as at 30 June 2023.
 - Zigama CSS – is a credit and savings bank under the Ministry of Defence (MINADEF).

The transactions described above are both collectively and individually significant to the financial statements.

53. Actuarial valuation

a) Pension and occupational hazard scheme

Background and purpose of the actuarial valuation

As previously reported, RSSB therefore commissioned AON Hewitt limited to conduct actuarial valuation of the pension and occupational hazard scheme as at 30 June 2020. The purpose of an actuarial valuation is to review the long-term financial sustainability of a scheme. Aon Hewitt Ltd issued an actuarial report dated 16 February 2021.

The actuarial valuation report includes projections over the next 50 years from the valuation date, i.e. over the period 2020-2021 to 2069-2070 for:

- i) the financial position of the Scheme on a "going concern" basis, comparing the actual assets held against a target amount planned to be sufficient to pay the benefits;
- ii) the planning or budgeting of contributions required to bring the assets in line with the planned target.
- iii) the contribution rate required to balance contribution income and expenditure (known as 'Breakeven Contribution Rate')
- iv) income and expenditure
- v) The 'Balance of Fund' as a multiple of expenditure (also known as the 'Fund Ratio')
- vi) Dependency ratio and membership profile

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Management and directors have not undertaken an actuarial assessment for the period ended 30 June 2022 and believe the report for the period ended 30 June 2020 provides reasonable actuarial valuation to support a review of the long-term financial sustainability of a scheme.

The results of the actuarial valuation of the Rwanda Pension and Occupational Hazard Scheme ("the Scheme") as at 30 June 2020 over are as summarised below:

1) Actuarial present value of promised retirement benefits for the scheme

The actuarial valuation shows that the pension and occupational hazards scheme had projected actuarial present value of promised retirement benefits of Frw **5,709.2 billion** compared to net assets of at Frw **1,052.3 billion** at 30 June 2020, resulting to a deficit of Frw **4,656.9 billion**, as shown below:

	As at 30 June 2020 Frw' billions
Net assets of the scheme (A)	1,052.3
Past service liabilities (present value of benefits promised on service)	
Active members	(4,640.9)
Deferred members	(716.4)
Pensioners	(351.9)
Total past service liabilities (B)	(5,709.2)
Short fall (C-B)	(4,656.90)

This corresponds to a funding ratio of 18.4%. This compares with a Scheme funding position of 54.1% at the previous actuarial valuation as at 30 June 2016 (issued in January 2018).

The actuarial present value of benefits promised on service as at the valuation date is derived as the discounted present value of projected expenditure in respect of accrued benefits, based on projected salary levels.

Pension branch

For Pension branch of the scheme, the actuarial valuation shows that the branch had projected actuarial present value of promised retirement benefits of Frw **5,673.9 billion** compared to net assets of at Frw **789.2 billion** at 30 June 2020, resulting to a deficit of Frw **4,884.7 billion**, as shown below:

	As at 30 June 2020 Frw' billions
Assets of the scheme (A)	789.2
Past service liabilities owed (present value of benefits promised on service)	
Active members	(4,614.8)
Deferred members	(716.4)
Pensioners	(342.7)
Total past service liabilities (B)	(5,673.9)
Short fall (A-B)	(4,884.7)

This corresponds to a funding ratio of 13.9%. This compares with a funding ratio of 41.1% at the previous actuarial valuation.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Occupational hazard branch of the scheme

For Occupational hazard branch of the scheme, the actuarial valuation shows that the branch had projected actuarial present value of promised retirement benefits of Frw **35.3 billion** compared to net assets of at Frw **263.1 billion** at 30 June 2020, resulting to a surplus of Frw **227.8 billion**, as shown below:

	As at 30 June 2020 Frw' billions
Assets of the scheme as at 30 June 2020	263.1
Past service liabilities (present value of benefits promised on service)	
Active members	(26.1)
Pensioners	(9.2)
Total past service liabilities	(35.3)
Surplus	227.8

The surplus of the assets relative to the technical provisions is RWF 227.8bn for the occupational hazards branch. This corresponds to a funding ratio of 745.5%, compared to funding ratio of 1,100.9% at the previous actuarial valuation.

The overall decline in the funding ratio of the scheme compared to previous actuarial valuation is attributed to a number of changes to the Scheme since the previous actuarial valuation was completed as at 30 June 2016; as well as changes in the data, methodology and assumptions. This has led to changes in the results since the previous actuarial valuation. The main changes to the Scheme during the inter-valuation period were outlined in the actuarial report to as follows:

- a) The last pension increase in the Scheme was awarded in 2018 where the Minimum Pension was increased from RWF 5,200 per month (which was applicable from 2002) to RWF 13,000 per month and other pension benefits increased as well.
- b) Prior to 2015, deferred members who had contributed but did not make any claim on their pensions for a period of 10 years and above would forfeit their benefits. However, new laws with effect from 2015 have reversed this approach and now anyone who contributed and who claims their pension even after a 10-year period, will have their accrued rights preserved.

Funding position excluding deferred members

The overall shortfall of the assets relative to the technical provisions excluding deferred members is RWF 3,940.5 billion for the Scheme. This corresponds to a funding ratio of 21.1%. The shortfall of the assets relative to the technical provisions excluding deferred members is RWF 4,168.3 billion for the Pension Branch. This corresponds to a funding ratio of 15.9%.

2) Contributions required to bring the assets in line with the planned target (the required future service contribution rate)

The required future service contribution rate is the rate of contribution that would normally be appropriate if the Scheme had no surplus or shortfall and the assets were exactly equal to the technical provisions at the valuation date. The required total contribution rate under the Pension Branch to cover the cost of benefits accruing over the next year, excluding expenses of the Scheme, is 27.1% of pensionable salaries (The rate is before any allowance to cover the amortisation of the deficit) as shown below:

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Pension branch

Required contributions for:	%age of pensionable salary
Future service benefits under pension branch	27.1
Administrative expenses under pension branch	0.3
	27.5

This compares with contributions of approximately 16.6% of pensionable salaries at the previous valuation. It should also be noted that only 6% of pensionable salaries is currently being paid by the employer and employee jointly.

The increase in contribution rate over the valuation period under the Pension Branch is mainly due to the change in financial assumptions and demographic assumptions (ageing population and increase in life expectancy).

Occupational hazard branch

The required total contribution rate under the Occupational Hazard Branch to cover the cost of benefits accruing over the next year, excluding expenses of the Scheme, is 0.2% of pensionable salaries (The rate is before any allowance to lower the surplus).

Required contributions for:	%age of pensionable salary
Future service benefits under occupational hazard branch	0.2
Administrative expenses under occupational hazard branch	0.1
	0.3

Historically, administrative expenses represent on average 0.4% of pensionable salaries. These expenses were apportioned between the pension and occupational hazard branches in a 75%/25% split.

3) The contribution rate required to balance contribution income and expenditure (known as 'Break-even Contribution Rate')

The breakeven contribution rate represents the Pay-As-You-Go (PAYG) contribution rate as if the Scheme was unfunded and only considers money-in and money-out without future investment returns. The contribution-weighted average break-even contribution rate over the projection period is around 23.4% of pensionable salary as compared to the current 6% of contributions.

The projected short term and long-term break-even contribution rates required to balance contribution income with expenditure on benefits and expenses each year over a 50-year projection period are shown below:

Short-term break-even contribution rates:

Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Pension	6.60%	3.30%	3.10%	3.20%	3.20%	3.30%	3.40%	3.50%	3.60%	4.00%
Occupational hazard	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Scheme	6.80%	3.50%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.20%

Long-term break-even contribution rates:

Year	2021	2030	2040	2050	2060	2070
Pension	6.60%	4.00%	9.70%	27.80%	33.10%	18.70%
Occupational hazard	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Scheme	6.80%	4.20%	10.00%	28.00%	33.30%	18.90%

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

These compare with the current 8% salary contribution rate of which 6% in respect of the pension branch and 2% is in respect of the occupational hazard branch.

The current contribution rate seems to be sufficient to meet benefits on a PAYG basis until the year 2038. The lower Break-even contribution rate at the start of the projection period reflects the lower average service (i.e. those entitled to a lump sum instead of the more costly pension payments) and part subsidy by the surplus in occupational hazard branch as well as covering pension payments by a large active population earlier in the projection. After 2038, the current contribution rate is no longer sufficient as evidenced by the rising required break-even contribution rate.

The current pension branch contribution rate is expected to be sufficient to benefits on a PAYG basis until the year 2036. However, after 2036, the pension branch break-even contribution rate increases to 35.6% of pensionable salary in 2056/2057 assuming that there will be fewer active members in the future to bear the cost of benefit payments and expenses thereby clearly indicating that the current contribution rate of 6% would not be adequate over the projection period. The occupational hazard Branch break-even contribution rate is low for the duration of the projection period to reflect the low level of benefits currently claimed from this section of the Scheme.

4) Membership profile and dependency ratio

Age distribution of active membership as at 30 June 2020 is shown below:

Age bracket (years)	16-20	20-30	30-40	40-50	50-60	>60
Number of active members	20,401	206,471	204,903	102,781	42,315	10,398

The dependency ratio shows how the membership profile is expected to change over time and is calculated as a projected ratio of pension beneficiaries to active members. The dependency ratio is expected to increase and then stabilize at around 120% reflecting the Scheme maturing over the projection period and the ageing of the population as shown below:

Year	2020/2021	2021/2022	2030/2031	2040/2041	2050/2051	2060/2061	2070/2071
Active members	587,269	639,456	1,097,689	1,149,344	1,013,552	862,940	971,205
Deferred members	925,028	916,993	850,291	763,115	647,691	504,600	343,605
Pensioners	38,338	54,584	102,959	273,629	650,594	1,040,366	1,161,163
Dependency ratio	7%	9%	9%	24%	64%	121%	120%

Active membership is projected to increase rapidly initially due to the high assumptions for new entrants and low number of pensioners. It starts to fall after year 2050 due to the higher number of pensioners and the slower increase in new entrants.

The deferred members are projected to decrease over time only considering the existing deferred members without allowing for any new members and a zero-withdrawal rate has been assumed to reflect the mandatory nature of the Scheme.

The pensioners are projected to increase gradually over time to reflect the retirement of the existing active membership, retirement of new entrants in the active membership and retirement of deferred members. It also reflects the fact that pensioners are living longer than expected.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

5) Income and expenditure

The long-term projections of future income and expenditure from financial year 2020/2021 to financial year 2070/2071 are shown below:

	2020/2021	2030/2031	2040/2041	2050/2051	2060/2061	2070/2071
	Frw' billions					
Assets at start of the year	1,052	3,726	9,294	(850)	(81,609)	(271,854)
Income						
Contributions	167	518	981	1,485	2,619	6,087
Outgo						
Benefits payment	131	233	1,153	5,095	10,702	13,931
Expenses	12	36	69	104	183	426
Total outgo	143	269	1,222	5,199	10,885	14,357
Operating surplus/(deficit)	24	249	(241)	(3,714)	(8,266)	(8,270)
Investment income	68	246	587	(171)	(5,483)	(17,659)
Assets at the end of the year	1,144	4,221	9,640	(4,735)	(95,358)	(297,783)

Expenditure is projected to be more than income on an annual basis from the year 2043. The projected income becomes negative as a result of exhaustion of assets around 2049 assuming the shortfall will be finance out of borrowing (hence the negative interest).

At branch level, the pension branch has higher income than expenditure until around 2039/2040. After 2040, the projected expenditure is higher than the projected income. This is due to the scheme demographics of having higher number of beneficiaries many of whom are currently above normal retirement age and the effect of the lower contributions than required. The assets held are projected to reduce to become negative due to increasing benefits payments and expenses.

The occupational hazard branch is projected to have higher income than expenditure over the whole projected period.

6) The 'Balance of Fund' as a multiple of expenditure (also known as the 'Fund Ratio')

The fund ratio shows the projected balance of the fund at the start of the year expressed as a multiple of expenditures on benefits and other administrative costs expected in that year. The projected fund ratios have been calculated assuming the current contribution rates remain unchanged and allowing for future investment returns and are as follows:

	2021	2030	2040	2050	2060	2070
Fund ratio - Pension branch	5.7	9.6	4	(2.5)	(10.1)	(23.6)
Fund ratio – Occupational hazard branch	63.7	96.8	161.4	278.3	445.9	532.9
Scheme	7.4	13.8	7.6	(0.2)	(7.5)	(18.9)

The scheme is projected to continue to grow for several years and peak in the financial year 2029/2030 after which it is projected to decline and become insolvent at around financial year 2049/2050. This is because the pension branch is expected in the long term to pay out pension benefits to an increased number of members while insufficient contributions are being made to pay for the required benefits.

At branch level, the pension branch is projected to continue to grow and peak at financial year 2023/2024 after which it is expected to decline until it becomes insolvent around financial year 2046/2047. The occupational hazard branch has a net surplus and is projected to continue to grow and remain solvent over the projected period due to the projected low level of benefit payments.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Methods and key assumptions used

Projection methodology

The model used for projection used as a starting point the clean data and applied the labour force assumptions for the development of the future contributory population.

The model used was based on a cohort approach using the flow method for generating future generations of pensioners on a single age basis, i.e. the identification of each new pensioner and the recording of the average period of past pension credits and the average earnings of each cohort. Future new entrants were assumed to have the same average salary as the relevant cohort at the valuation date but allowing for the rate of earnings inflation assumption.

The present value of the liabilities was calculated by projecting cashflows over the whole lifetime of the existing membership, i.e. effectively allowing for every existing member to die. For the year on year income and expenditure projection, only a snapshot of the cashflows over a projection period of 50 years was illustrated.

The same active member pensionable service proportions at the valuation date for the projection period were used. Members with more than 15 years' service were projected to receive pension benefits; whereas members with less than 15 years' service were projected to receive lump sum benefits, as per the rules of the Scheme.

Active members were grouped by age and sex based on who would receive pension and lump sum benefits based on the June 2020 membership data taking into account the members' projected service at retirement. We assumed that these groups would apply to future new entrants during the projection period.

Each cohort of future new entrants was assumed to follow the same age, gender, salary and marital status distribution of existing actives for the different age groups. The distribution of new entrants by age and sex would reflect that observed at the valuation date and it was assumed that these distributions remain constant throughout the projection period.

The Projected Unit Method has been used to calculate the future service contribution rate. This calculation draws on the same assumptions used for the technical provisions.

The Projected Unit Method (PUM) is one of the common methods used by actuaries to calculate a contribution rate for a funded scheme. This method calculates the present value of the benefits expected to accrue to members over a control period (often one year) following the valuation date.

The present value is usually expressed as a percentage of the members' pensionable pay. It allows for projected future increases to pay through to retirement or date of leaving service.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Key assumptions made

▪ **Margin for adverse experience**

An allowance has been made for adverse experience in both the financial and demographic assumptions used to calculate technical provisions.

▪ **Financial assumptions**

A summary of the key economic and expense assumptions adopted for the valuation of the Scheme as at 30 June 2020, together with the long-term assumptions adopted for the previous valuation as at 30 June 2016 are shown below:

Key assumptions	Valuation as at 30 June 2020	Valuation as at 30 June 2016
Price inflation	10.0% p.a. for the first year; 6.0% p.a. in the second year; 5.0% p.a. in the third year and for the remainder of the projection period	9.0% p.a. for the first year; 7.0% p.a. in the second year; 5.0% p.a. in the third year and for the remainder of the projection period
Earnings inflation	12.0% p.a. for the first year; 8.0% p.a. in the second year; 7.0% p.a. in the third year and for the remainder of the projection period	10.0% p.a. for the first year; 8.0% p.a. in the second year; 6.0% p.a. in the third year and for the remainder of the projection period
Investment return	6.4% p.a.	11.0% p.a. for the first year; 9.0% p.a. for the second year; 7.0% p.a. in the third year and for the remainder of the projection period
Pensions increase	1.0% p.a.	No allowance
Expenses	7% of contribution income assumed to be funded in future each year	10% of contribution income assumed to be funded in future each year

The long-term economic assumptions adopted are the same for all future years of the projection.

▪ **Demographics**

A summary of the key demographic assumptions adopted for the valuation of the Scheme as at 30 June 2020, together with the long-term assumptions adopted for the previous valuation as at 30 June 2016 are shown below:

Key assumptions	Valuation as at 30 June 2020	Valuation as at 30 June 2016
Labour Market (Increase in Scheme membership)	Increase of 12% in the first year of the projections, reducing to a long- term assumption of 2.0% a year over a 10-year period, and continuing at 2.0% p.a. for the remainder of the projection period.	Increase of 10% in the first year of the projections, reducing to a long- term assumption of 2.5% a year over a 10-year period, and continuing at 2.5% p.a. for the remainder of the projection period.
Mortality assumptions	Rwanda Mortality Table; 2012-2016 scaled by 60%; with an allowance for future annual improvements of 0.8% for males and 1% for females	Rwanda Mortality Table; 2012- 2016; with an allowance for future annual improvements of 1.25% for males and 1.5% for females
Withdrawal Rates	Same as last valuation	No allowance was made for early withdrawal from active service. However, an implicit allowance was captured in the labour market assumption.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Key assumptions	Valuation as at 30 June 2020	Valuation as at 30 June 2016
Invalidity Rates (Pension Branch)	A rate of 0.01% for active members between ages 20 and 64	A rate of 0.01% for active members between ages 20 and 60
Incapacity Rates (Occupational Hazards Branch)	Same as last valuation	Permanent Incapacity Rate of 0.005% for both males and females between the ages of 20 and 60. Assumed that 5% of future permanent incapacity will be full incapacity (based on 100% incapacity rate) and 95% will be partial incapacity based on a 40% incapacity rate).
Workers Medical Benefits (Occupational Hazards Branch)	An uplift of 30% to the projected Permanent Incapacity expenditure in order to make an allowance for the Workers Medical Benefits.	An uplift of 33% to the projected Permanent Incapacity expenditure in order to make an allowance for the Workers Medical Benefits.
Constant Care Supplement (Pension Branch and Occupational Hazards Branch)	No allowance	No allowance
Retirement Rates	Same as last valuation	Non-Uniformed members retire at age 60 and that Uniformed members retire at age 50. No allowance has been made for early retirements as the experience indicated that few such benefits are paid.
Family Statistics – proportion married	76% of male members and 62% of female members are married at all ages	80% of male members and 65% of female members are married at all ages.
Family Statistics – Age difference	A 4-year age difference between members and spouses has been adopted, with husbands older than wives, with a 27-year age difference between male parents and children and a 23-year age difference between female parents and children.	A 4-year age difference between members and spouses has been adopted, with husbands older than wives, with a 32-year age difference between male parents and children and a 28-year age difference between female parents and children.
Family Statistics – Number of dependants	Same as last valuation	Unmarried members have two dependents, that is, both parents, and that married members have three dependents; a spouse and two dependent children. We have not made any allowances for remarriage rates and we have assumed that orphan benefits cease at age 25.

▪ **Deferred members**

The previous valuation results did not allow for deferred members who left active employment before July 1994. The previous actuary was provided with 641,018 deferred member records, of which 208,754 last contributed before July 1994. At the valuation date, all the deferred members even those prior to 1994 have been included.

NOTES TO THE FINANCIAL STATEMENTS (continued)

▪ **Investment returns**

In determining the investment return assumption, an allowance for the benchmark allocation set out in the Fund's Investment Policy (third edition) and expected returns on each asset class has been made. A long term expected investment return of 6.4% per annum was obtained.

The previous valuation constructed the investment return assumption by adding a margin to the price inflation assumption whereby a long-term margin of plus 2.0% p.a. in addition to price inflation was used to get an investment return assumption of 11% p.a. for the first year, 9% p.a. for the second year, 7% p.a. in the third year and for the remainder of the projection period.

The net effective rate in service would be -0.6% in the long term which is lower than the previous valuation.

▪ **Earnings inflation**

The previous valuation assumed that the rate of earnings inflation to be 10.0% p.a. for the first year; 8.0% p.a. for the second year; 6.0% p.a. for the third year; and remaining at 6.0% p.a. for the remainder of the projection period. This was equivalent to the price inflation assumption plus a 1.0% p.a. margin.

The current valuation assumes that the rate of earnings inflation to be 12.0% p.a. for the first year; 8.0% p.a. for the second year; 7.0% p.a. for the third year; and remaining at 7.0% p.a. for the remainder of the projection period. This is equivalent to the price inflation assumption plus a 2.0% p.a. margin. The higher margin was derived based on the data analysis.

▪ **Pension increase**

The current valuation makes an allowance of 1% per annum for any increases in benefit payments or minimum pensions as such increases are provided on a discretionary basis based on our analysis of past increases and following a request by RSSB.

The previous valuation did not include any allowance for periodic increases to benefit payments.

▪ **Expenses**

The expense assumption is based on our findings from the Annual Report & Accounts during the inter-valuation period. The actuarial assumption is 7% p.a. of contribution income for the projection period.

This compares to the previous actuarial valuation expense assumption of 10% a year of contribution income for the projection period which reflected higher expenses recorded at that time.

▪ **Labour market**

The current valuation assumes that the active membership of the Scheme increases by 12% in the first year reducing to a long term assumption of 2.0% over a 10-year period (i.e. using a declining scale from 12% to 2% at the end of the 10 years); and continuing at 2.0% for the remainder of the projection period. The long-term assumption reflects the combined effect of increases in the employed population and increases in coverage that might be expected during the period.

The previous valuation assumed that the active membership of the Scheme increases by 10% in the first year reducing to a long-term assumption of 2.5% over a 10-year period; and continuing at 2.5% for the remainder of the projection period.

The short-term assumptions adopted reflect the high numbers of new entrants to the Scheme in recent years. The long-term assumption reflects the combined effect of increases in the total population, total employed population and increases in the coverage of the Scheme.

It is assumed that these high levels will not continue over the longer-term as Rwanda is the most densely populated country in East Africa (and Africa); and so it is likely that the population growth will begin to plateau during the projection period. However, it is expected that the formal sector will expand during the projection period; and therefore creating more gradual increase each year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

▪ **Mortality**

The current valuation assumes mortality experience in line with the 'Rwanda Mortality Table; 2012-2016' scaled by 60% with an allowance for future annual improvements of 0.8% for males and 1.0% for females. A 60-year old male pensioner is assumed, on average, to live to age 84.4 years and under a 60-year old female pensioner is assumed, on average, to live to age 85.4 years.

The previous valuation assumed mortality experience in line with the 'Rwanda Mortality Table; 2012-2016' with an allowance for future annual improvements of 1.25% for males and 1.5% for females. The new Rwanda-specific mortality table had been constructed using RSSB data.

▪ **Incapacity rates**

The incapacity rates reflect the proportions of active, deferred and pensioner members who become eligible to (start to) receive Incapacity Benefits at each age as a result of occupational disease or accident. The valuation assumes an Incapacity Rate of 0.06% for both males and females between the ages of 20 and 60 based on a 10-year analysis of annual claim payments. The previous valuation assumed a permanent incapacity rate of 0.005% for both males and females between ages of 20 and 60.

The difference comes from the fact that all incapacity claims were considered instead of focusing only on permanent incapacity since the data was relatively scarce for such benefits and unlikely to be credible.

b) Medical scheme

Background and purpose of the actuarial valuation

The purpose of an actuarial valuation is to review the long-term financial sustainability of a scheme. RSSB therefore commissioned Zamara Actuaries, Administrators and Consultants Limited to conduct actuarial valuation of the medical benefits insurance scheme as at 30 June 2020. Zamara Actuaries, Administrators and Consultants Limited have issued an actuarial report dated 03 February 2021.

Management and directors have not undertaken an actuarial assessment for the period ended 30 June 2021 and believe the report for the period ended 30 June 2020 provides reasonable actuarial valuation to support a review of the long-term financial sustainability of a scheme.

The core basis projections over the next 40 years from the valuation date, i.e. over the period 2020-2021 to 2039-2040 is as shown below:

Financial year	Total Population Size	Total Contribution Income (Frw' millions)	Total Benefit Expenditure (Frw' millions)	Accumulated Fund (Frw' millions)
2019/2020	166,273	51,335	27,597	296,025
2020/2021	171,472	56,599	31,078	339,990
2021/2022	176,816	60,500	35,884	386,295
2022/2023	182,329	64,550	41,550	434,383
2023/2024	188,051	68,740	48,260	483,445
2024/2025	193,966	73,086	56,221	532,403
2025/2026	200,144	77,584	65,714	579,781
2026/2027	206,496	82,226	77,029	623,668
2027/2028	213,156	86,980	90,605	661,492
2028/2029	220,069	91,830	106,906	689,960
2029/2030	227,317	96,742	126,569	704,788
2030/2031	234,863	101,692	150,317	700,537
2031/2032	242,703	106,660	179,056	670,323
2032/2033	250,829	111,622	213,898	605,471
2033/2034	259,352	116,480	256,327	494,899

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial year	Total Population Size	Total Contribution Income (Frw' millions)	Total Benefit Expenditure (Frw' millions)	Accumulated Fund (Frw' millions)
2034/2035	268,258	121,228	308,076	324,733
2035/2036	277,713	125,769	371,519	77,300
2036/2037	287,483	130,167	449,073	(261,261)
2037/2038	297,822	134,228	544,469	(691,770)
2038/2039	308,542	137,973	661,589	(1,236,220)
2039/2040	319,784	141,350	805,903	(1,922,116)

The projected fund will be depleted by 30 June 2036 with the deficit growing exponentially until the end of the projected period.

For the first seven years of the projection period, annual contributions are expected to exceed annual claims, however, after this, annual claims are expected to exceed annual contributions as the assumed rate of claims escalation exceeds the rate of salary growth. For the year ending 30 June 2027, total claims are expected to represent 93.7% of total gross contributions income before allowing for expenses of the scheme. In the following year ending 30 June 2028, the total claims are projected to exceed total gross contributions and the utilisation ratio is 104.2%

From the year ending 30 June 2028 to 30 June 2030, the projected investment income will be sufficient to meet the shortfall caused by increasing claim costs as well as projected expenses of the scheme.

After the year ending 30 June 2030, net cashflows are projected to be negative. This differs from the projection as at 30 June 2016 where the scheme was projected to remain in a positive cashflow position for 55 years in the future. This difference is mainly attributable to the worse than expected claims escalation that resulted from an upward revision of tariffs. Claims management solutions are essential to improving the long term health of the scheme.

Methodology and key assumptions used

Methodology

The projection model used considered the evolution of the contributing members, which forms the basis for projecting the future primary cashflows of the scheme. The primary cashflows were then used to model the future retained funds of the scheme, by considering projections of future investment returns and expenses.

The membership of the scheme has been segregated into employees from the public sector, employees from the private sector and retirees in assessing the future evolution of the scheme. The bases used for the various projections have been arrived at as a result of detailed analysis on data and experience over the past five years as this is most likely to reflect future experience. However, long term expectations based on regional and global benchmarking as well as macro-economic factors have been used in determining the final set of assumptions for these projections.

Key assumptions used

Below is a summary of the key assumptions used in preparing these projections:

Demographics

Assumption	Value used in valuation as at 30 June 2020
Membership growth rate	2.60%
New entrants' proportion (per age)	Based on data - distributing the new entrants in a given year into a suitable age
Mortality rates	Rwanda Mortality Table - May 2017
Retirement rates	Stepped retirement rates for different age groups
Salary growth rate public	5.90%
Salary growth rate private	4.40%
Pension growth rate	7.20%
Working population contribution rate	15.0% of basic salary
Pensioners contribution rate	7.5% of pension

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Economic

Assumption	Value used in valuation as at 30 June 2020
Inflation	10% in the first year, 6% in the second year and 5% from year 3 onwards
Investment rate of return	8.9%
Other income	0.43% of contributions
Administrative expenses	12% of contributions
Statutory CBHI contributions	10% of contribution s

Claims

Assumption	Value used in valuation as at 30 June 2020	
Cost Component	Annual Claims escalation rate	Average Cost per Affiliate Member (Frw)
Consultation	9.8%	22,867
Laboratory tests	9.7%	36,620
Medical imaging	21.1%	13,513
Hospitalization	14.0%	6,242
Procedures and materials	20.5%	29,710
Other consumables	2.9%	2,650
Medicines	10.8%	10,535
Pharmacy	5.3%	40,171

c) Maternity Leave

Benefit Actuarial Valuation

Overview of the maternity leave benefit scheme

The Maternity Leave benefits Scheme (MLBS) was established by Law 003/2016 of 30/03/2016 Establishing and Governing Maternity Leave benefits Scheme. Under the law, the scheme, the employer and employee each contribute 0.3% amounting to 0.6% of the employee's salary. Claims are made and paid as and when maternity leave is taken.

Background and purpose of the actuarial valuation

The Board commissioned an actuarial valuation of the Maternity Leave benefit scheme MLBS). The actuarial valuation which was performed by *Muhanna and Co. Actuaries AND Consultants* on behalf of the Board and considers data up to 30 June 2022 was issued on 11 May 2023.

The actuarial calculations were carried out in accordance with International Accounting Standard 19 (IAS 19). The projections were carried out over the next 50 years (the last year being 2072) in line with the International Labour Association and International Labour Office Guidelines for short term benefits.

Summary results of the actuarial assessment

Base Scenario

Pay As You Rate

The Pay as You Go Rate (PAYG) or cost rate was 0.15% in 2022 and was projected at 0.29 of total salaries in the year 2072. The PAYG rate is the ratio of total expenditure to total salaries in a particular year. It is the contribution rate needed to finance the expenditure on benefits and administrative expenses throughout the year without producing any surplus or deficit.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

General Average Premium.

The General Average Premium (GAP) was estimated at 0.2% of salaries. This is the contribution rate needed so that the future contribution income and investment return will be enough to exactly cover the future expected expenditures of the scheme over the projected period. The current contribution ratio is 0.6% of total salaries based on the current legal framework.

Reserve ratio

The projected reserve ratio is projected to 160 in 2072. The reserve ratio is defined as the ratio of the total accumulated fund(reserve) at the end of the year to total expenditure during the year. Hence this reflects a projected healthy reserve ratio.

Conclusion

Therefore, based on the results under the base scenario, the MLBS is in a healthy financial position. The level of the current contribution rate is adequate to cover the maternity leave benefit as well as the expenses needed to operate the scheme. A sensitivity analysis is summarised under the section *Risks and Sensitivity Analysis*.

Methodology and key assumptions used

Methodology

The methodology used for the Actuarial Valuation of the MLBS involved the projection of the income and outgo of the MLBS into the future, on an open group basis, and examining the sufficiency of the current reserves and expected future income to meet current and future liabilities. The actuarial projections were based on the current legal provisions of the MLBS, the data at the starting point for the projections (30 June 2022) and on the assumptions regarding future demographic and economic experience.

Open group demographic and cash-flow projections allow for future entrants, as well as exits, from the scheme across all projection years. Actuarial Valuations for benefits under a Social Insurance Scheme are carried out on an Open Group Basis over a long-time horizon as this directly recognises the compulsory nature of future participation, the nature of promised benefits and the unlikely possibility of winding up a social security arrangement. The methodology adopted was in line with the International Standard of Actuarial Practice (ISAP) 2 practice (paragraph 2.4) for the Financial Analysis of Social Security Programs, which states that for pay-as-you-go or partially funded schemes, the analysis should use an open-group methodology, under which contributions and benefits of both current and future participants are considered.

The actuarial calculations were performed in line with the International Accounting Standard 19 (IAS 19).

The base year of the projections is 2022 and the reference date (or valuation date) was the 30th June 2022. The projections were carried out for the next 50 years (in line with the relevant International Actuarial Association and International Labour Office guidelines for short-term benefits) – that is the last year of the projection is set to be 2072.

The revenue of the MLBS includes both contributions and investment income. For each projected year, total contributions were derived from the active members' salaries and the contribution rate prescribed by the Law for the MLBS. Investment income is calculated on the basis of assumptions on rates of return on the MLBS investments.

The MLBS outgo includes the maternity leave benefits paid out, which are projected using assumptions based on the fertility rates, the members' eligibility for the maternity leave benefit, the projected salaries and the expected duration of the benefit. In addition, the MLBS outgo includes the cost of administering the scheme.

In order to carry out the projections, the demographic and financial information relating to MLBS members as at the valuation date (30 June 2022) was used.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

The actuarial model projected the numbers of males and females separately because of the different demographics and specificities of these groups. The active population for males was used for the contribution income purposes. On the other hand, the active population for females is used for both the contribution income and the benefit outgo projections.

The methodology applied is summarised below.

MLBS Contribution income

Contribution income = MLBS active Population X Project Salaries X Contribution rate

The assumptions applied in projecting the MBLs active population and the Projected Salaries are summarised in the tables under key demographic assumptions and key financial assumptions below.

MLBS Benefit Expenditure

MLBS Benefit Expenditure = Beneficiaries Population X Projected Salaries X Benefit duration

The assumptions applied in projecting the Beneficiaries Population, the Projected Salaries and the benefit duration are summarised in the tables under key demographic assumptions and key financial assumptions below.

Assumptions

Assumptions were made about each factor that was applied in estimating the cashflows. The assumptions included statistical (demographic) and financial (economic) assumptions. The assumptions took into consideration the recent experience of the MLBS, the country's demographic and economic outlook, as well as the short- and long-term trends.

Summary of demographic assumptions

Summary of demographic assumptions

Key assumptions	Key Highlights																					
Rwanda Population Growth	According to the United Nation projections as well as the 5th Population and Housing Census 2022, the population of Rwanda is growing by approximately 2.3%. Over the next 10-15 years, the growth rate is expected to reduce to 2.0% and 1.0% in the longer term (2060+). The expected population growth as well as the expected changes in age structures were taken into account when setting the assumptions for the growth of the population insured under the MLBS.																					
Labour Force and Employment	The expected growth and composition of the MLBS membership is directly linked to the population structure and more importantly to the labour force and employed population. The current labour force participation rate is 56% and the MLBS coverage rate was estimated at 15% of the labour force and 8.5% of the working age population. It was assumed that the MLBS membership will grow and therefore the coverage rate will increase.																					
Mortality Rates (Active Members)	<p>The mortality rates used for the valuation were based on the Rwanda Mortality Table rates. Given these rates, along with statistics for the life expectancy in Rwanda and considering the group of members covered by the MLBS, we adjusted the standard table rates to reflect the scheme mortality experience. The life expectancies at age 20 and at age 60 derived from the mortality rates assumed were as follows:</p> <table><tr><th>Life Expectancy</th><th>Males</th><th>Females</th></tr><tr><td>2022</td><td></td><td></td></tr><tr><td>— At age 20</td><td>55.0 (age 75.0)</td><td>58.0 (age 78.0)</td></tr><tr><td>— At age 60</td><td>18.0 (age 78.0)</td><td>21.0 (age 81.0)</td></tr><tr><td>2052+</td><td></td><td></td></tr><tr><td>— At age 20</td><td>58.0 (age 78.0)</td><td>61.0 (age 81.0)</td></tr><tr><td>— At age 60</td><td>20.0 (age 80)</td><td>22.0 (age 82.0)</td></tr></table>	Life Expectancy	Males	Females	2022			— At age 20	55.0 (age 75.0)	58.0 (age 78.0)	— At age 60	18.0 (age 78.0)	21.0 (age 81.0)	2052+			— At age 20	58.0 (age 78.0)	61.0 (age 81.0)	— At age 60	20.0 (age 80)	22.0 (age 82.0)
Life Expectancy	Males	Females																				
2022																						
— At age 20	55.0 (age 75.0)	58.0 (age 78.0)																				
— At age 60	18.0 (age 78.0)	21.0 (age 81.0)																				
2052+																						
— At age 20	58.0 (age 78.0)	61.0 (age 81.0)																				
— At age 60	20.0 (age 80)	22.0 (age 82.0)																				
Fertility Rates	The current total fertility rate in Rwanda is 3.6 children per woman and the general fertility rate in year 2022 was equal to 106.9 births per 1,000.																					

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Key assumptions	Key Highlights																														
	<p>women. The experience of the MLBS shows significantly lower number of births and fertility rates.</p> <p>We considered the age specific fertility rates of Rwanda, but initially reduced the rates to reflect the lower experience of the scheme as summarised below</p> <ul style="list-style-type: none">– Ages 15-19: 3 births per 1000 women increasing to 5 births in the long-term;– Ages 20-24: 13 births per 1000 women increasing to 35 births in the long-term;– Ages 25-29: 18 births per 1000 women increasing to 40 births in the long-term;– Ages 30-34: 26 births per 1000 women increasing to 50 births in the long-term;– Ages 35-39: 17 births per 1000 women increasing to 36 births in the long-term– Ages 40-44: 8 births per 1000 women increasing to 25 births in the long-term. <p>The rates above are lower when compared to the fertility rates of the country. Adjustments were deemed necessary in order to reflect the lower experience of the scheme. In the long-term, we assumed that the rates increase in order to reflect that more women are expected to claim for this benefit and eventually the scheme fertility rate to be more consistent to the country experience.</p>																														
Marriage rates	<p>According to the Rwanda Demographic Health Survey (DHS) 2019/2020, 49% of men and 51% of women in Rwanda are married. For the purposes of this valuation we were interested in the population at working ages and therefore ignored the rates before the age of 15 and after 60. The age-related marriage rates of the DHS report as summarised below were used.</p> <table><tr><th>Age</th><th>Marriage rates Male</th><th>Marriage rates Female</th></tr><tr><td>20-25</td><td>25%</td><td>30%</td></tr><tr><td>25-30</td><td>50%</td><td>65%</td></tr><tr><td>30-35</td><td>80%</td><td>75%</td></tr><tr><td>35-40</td><td>90%</td><td>80%</td></tr><tr><td>40-45</td><td>90%</td><td>85%</td></tr><tr><td>45-50</td><td>90%</td><td>85%</td></tr><tr><td>50-55</td><td>90%</td><td>85%</td></tr><tr><td>55-60</td><td>90%</td><td>85%</td></tr><tr><td>60+</td><td>90%</td><td>85%</td></tr></table>	Age	Marriage rates Male	Marriage rates Female	20-25	25%	30%	25-30	50%	65%	30-35	80%	75%	35-40	90%	80%	40-45	90%	85%	45-50	90%	85%	50-55	90%	85%	55-60	90%	85%	60+	90%	85%
Age	Marriage rates Male	Marriage rates Female																													
20-25	25%	30%																													
25-30	50%	65%																													
30-35	80%	75%																													
35-40	90%	80%																													
40-45	90%	85%																													
45-50	90%	85%																													
50-55	90%	85%																													
55-60	90%	85%																													
60+	90%	85%																													
Growth rates of active members	<p>Males</p> <p>Initial growth rate of 10.0% per year reducing to 2.0% over the next 10 years (2023-2032).</p> <p>The growth rate was then assumed to gradually reduce to 1.0% (2033-2042). In the longer-term the growth rate of active members was assumed to be 0.5% per year.</p> <p>Females</p> <p>Initial growth rate of 13.0% per year reducing to 2.0% over the next 10 years (2023-2032).</p> <p>The growth rate is then assumed to gradually reduce to 1.0% (2033-2042). In the longer-term, the growth rate is assumed to be 0.5% per year.</p> <p>The short-term assumptions reflect the recent high numbers of new entrants to the MLBS. The long-term assumptions reflect the population growth, the increases to the employed population as well as the expected extension of coverage.</p>																														

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Key assumptions	Key Highlights																																																
Age gender distribution of new entrants	<p>The number of active members of the MLBS was projected from one year to the next, based on the number of new entrants and exits for each year and the number of members surviving from previous years. A distribution of new entrants by age group is essential in order to allocate the new entrants expected to enter the scheme each year</p> <p>The new active members joining the MLBS follow the distribution of those MLBS members who joined over the last 2 years. We also considered the joining pattern of all members, irrespective of the year of joining. The pattern was similar and based on the 2-year average joining age of members was assumed at 30.</p> <p>The age-related rates used are summarised below.</p> <table><tr><th>Age</th><th>New entrants Male</th><th>New entrants Female</th></tr><tr><td>20-25</td><td>29.5%</td><td>34.0%</td></tr><tr><td>25-30</td><td>27.0%</td><td>28.0%</td></tr><tr><td>30-35</td><td>16.5%</td><td>15.5%</td></tr><tr><td>35-40</td><td>10.0%</td><td>8.5%</td></tr><tr><td>40-45</td><td>7.0%</td><td>5.5%</td></tr><tr><td>45-50</td><td>5.0%</td><td>3.5%</td></tr><tr><td>50-55</td><td>2.5%</td><td>2.5%</td></tr><tr><td>55+</td><td>2.5%</td><td>2.5%</td></tr><tr><td>Total</td><td>100%</td><td>100%</td></tr></table>	Age	New entrants Male	New entrants Female	20-25	29.5%	34.0%	25-30	27.0%	28.0%	30-35	16.5%	15.5%	35-40	10.0%	8.5%	40-45	7.0%	5.5%	45-50	5.0%	3.5%	50-55	2.5%	2.5%	55+	2.5%	2.5%	Total	100%	100%																		
Age	New entrants Male	New entrants Female																																															
20-25	29.5%	34.0%																																															
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30-35	16.5%	15.5%																																															
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45-50	5.0%	3.5%																																															
50-55	2.5%	2.5%																																															
55+	2.5%	2.5%																																															
Total	100%	100%																																															
Exit rates	<p>The probabilities of exits were based on the analysis of the data carried out for the movements in the active membership over the last 4 years (2018-2022). In particular, the active members in two consecutive years (2018/2019, 2019/2020, 2020/2021 and 2021/2022) were compared and we isolated the cases who, even though they contributed in one year, they were not present in the following year. These cases were assumed to have left the MLBS and therefore were used to calculate the exit rates. The exit rates were calculated for individual age groups and separately for males and females. The projected exit rates for males and females are presented in the table below.</p> <table><tr><th>Age</th><th>Exit rates Male</th><th>Exit rates Female</th></tr><tr><td>20</td><td>40.0%</td><td>40.0%</td></tr><tr><td>21</td><td>40.0%</td><td>40.0%</td></tr><tr><td>22</td><td>40.0%</td><td>35.0%</td></tr><tr><td>23</td><td>40.0%</td><td>35.0%</td></tr><tr><td>24</td><td>35.0%</td><td>35.0%</td></tr><tr><td>25</td><td>30.0%</td><td>30.0%</td></tr><tr><td>26</td><td>25.0%</td><td>25.0%</td></tr><tr><td>27</td><td>25.0%</td><td>25.0%</td></tr><tr><td>28</td><td>25.0%</td><td>23.0%</td></tr><tr><td>29</td><td>20.0%</td><td>20.0%</td></tr><tr><td>30</td><td>20.0%</td><td>20.0%</td></tr><tr><td>31</td><td>20.0%</td><td>28.0%</td></tr><tr><td>32</td><td>18.0%</td><td>17.0%</td></tr><tr><td>33</td><td>17.0%</td><td>16.0%</td></tr><tr><td>34</td><td>17.0%</td><td>15.0%</td></tr></table>	Age	Exit rates Male	Exit rates Female	20	40.0%	40.0%	21	40.0%	40.0%	22	40.0%	35.0%	23	40.0%	35.0%	24	35.0%	35.0%	25	30.0%	30.0%	26	25.0%	25.0%	27	25.0%	25.0%	28	25.0%	23.0%	29	20.0%	20.0%	30	20.0%	20.0%	31	20.0%	28.0%	32	18.0%	17.0%	33	17.0%	16.0%	34	17.0%	15.0%
Age	Exit rates Male	Exit rates Female																																															
20	40.0%	40.0%																																															
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**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Key assumptions	Key Highlights		
	35	17.0%	15.0%
	36	17.0%	15.0%
	37	17.0%	15.0%
	38	17.0%	14.0%
	39	16.0%	14.0%
	40	16.0%	14.0%
	41	16.0%	14.0%
	42	16.0%	14.0%
	43	16.0%	15.0%
	44	16.0%	15.0%
	45	16.0%	16.0%
	46	16.0%	17.0%
	47	16.0%	17.0%
	48	16.0%	17.0%
	49	17.0%	17.0%
	50	18.0%	17.0%
	51	18.0%	17.0%
	52	18.0%	17.0%
	53	18.0%	17.0%
	54	18.0%	17.0%
	55	19.0%	18.0%
	56	19.0%	18.0%
	57	20.0%	19.0%
	58	20.0%	19.0%
	59	30%	20.0%
	60-64	25.0%	25.0%
	65+	30.0%	30.0%

Summary of financial assumptions

Key financial assumptions	
Economic Growth	<p>Over the last five years (2018-2022), real GDP increased by 6.4% on average. In year 2022, the National Institute of Statistics of Rwanda (NISR) shows a real GDP growth of 8.9%.</p> <p>Estimates of the International Monetary Fund show that real GDP growth will be approximately 7.0%-7.5% over the next 2-3 years and stabilise to 6% after year 2026. Based on the recent growth rates and the short-term expectations, it was assumed that real GDP growth will be 7.5% over the next years and gradually fall to 6.0% after year 2025.</p>
Investment return	<p>7.0% per annum.</p> <p>This investment return assumption is net of all investment transaction expenses. This assumption was based on the investment rates of returns of the MLBS over the last 3 years, as well as on the asset allocation and the expectation of returns of asset classes.</p>
Inflation rate	<p>5.0% per annum (long-term assumption)</p> <p>Over the last 5 years the inflation rate was equal to 3.6% by fiscal year and 4.4% by calendar year. If we consider a shorter period, then the average inflation rate (fiscal year) over the last 3 years was equal to 5%.</p> <p>According to estimates from the International Monetary Fund, the forecast inflation rate in Rwanda by calendar year would gradually fall to 5.0% in year</p>

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Key financial assumptions																									
	<p>2024 and would remain flat until year 2027.</p> <p>The estimates for inflation by fiscal year were taken from the National Bank of Rwanda. The assumption on inflation was in line with the recent inflation rates experienced, as well as the estimates of the International Monetary Fund (IMF) for Rwanda.</p>																								
Salary increases	<p>6.0% a year for the general salary increases (inflation + general increases) plus Q_25%-1.0% for merit/promotion salary increases, or 'Salary Scales'.</p> <p>The projected salary scales are summarised below.</p> <table><tr><th>Age Group</th><th>Males</th><th>Females</th></tr><tr><td>20-24</td><td>1.00%</td><td>1.00%</td></tr><tr><td>25 – 29</td><td>1.00%</td><td>0.75%</td></tr><tr><td>30- 34</td><td>0.75%</td><td>0.75%</td></tr><tr><td>35 – 39</td><td>0.5%</td><td>0.5%</td></tr><tr><td>40- - 44</td><td>0.25%</td><td>0.25%</td></tr><tr><td>45 – 49</td><td>0.25%</td><td>0.25%</td></tr><tr><td>50+</td><td>0%</td><td>0%</td></tr></table>	Age Group	Males	Females	20-24	1.00%	1.00%	25 – 29	1.00%	0.75%	30- 34	0.75%	0.75%	35 – 39	0.5%	0.5%	40- - 44	0.25%	0.25%	45 – 49	0.25%	0.25%	50+	0%	0%
Age Group	Males	Females																							
20-24	1.00%	1.00%																							
25 – 29	1.00%	0.75%																							
30- 34	0.75%	0.75%																							
35 – 39	0.5%	0.5%																							
40- - 44	0.25%	0.25%																							
45 – 49	0.25%	0.25%																							
50+	0%	0%																							
Administrative expenses	<p>The average administration expenses (including staff costs) over the last 3-4 years. We have assumed that administration expenses will be equal to 5.0% of contribution income.</p>																								
Density of Contributions	<p>The density of contributions is defined to be the proportion of the year during which participants pay contributions to the scheme. The analysis of the data supports the assumption of a density equal to 65% based on recent experience.</p>																								
Starting value of MLBS reserve	<p>Frw 38.6 billion</p>																								

Risks and sensitivity analysis

The results of the base scenario whose assumptions are summarised in the preceding sections were tested against changes to the main assumptions i.e investment return, salary increases, future scheme participation, administration expenses and fertility rates.

Investment return

The effect of changes to the investment return assumption (+/- 2 percentage units) was investigated; all other assumptions were left unchanged to view the impact of these changes in isolation. A lower long-term investment return of 5.0% p.a. was assumed under one scenario and a higher long-term investment return of 9.0% p.a. in another scenario.

Salary increase/ Inflation

The long-term general salary increase (inflation plus productivity) was assumed to be 6.0% (5.0% + 1.0%). In addition, salaries were assumed to increase by age-related promotional scales ranging between 0.25% and 1.0%. For sensitivity testing purposes, two sensitivity scenarios were taken under which we assumed that the inflation rate is 1 percentage unit lower and higher, respectively.

Lower scheme participation

The demographic and financial results were tested against the change in the assumption for the growth of the MLBS active contributors' population. We examined the financial position of the scheme if the growth rate of the active members was lower than under the BASE Scenario. Under this scenario, the

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

number of contributors is assumed to increase by 6%-8% in the short-term and gradually reduce to 0.5% growth after 20 years. In the medium-term (year 2042+) the population of contributors was assumed to remain stable.

Higher fertility rates

Fertility rates were assumed to be higher in the short term as well as in the long-term. the initial fertility rate was assumed to increase from 0.4 to 0.6 and the general fertility rate from 17 live births to 25. In the long-term, these were assumed to increase further.

Administration expenses

Under one scenario, it was assumed that the administration expenses rate is lower by 2 percentage units i.e. 3% of contribution income. Under another scenario, the administration expenses rate was assumed to be higher than higher by 2 percentage units i.e. 7% of contribution income.

Summary of results from the sensitivity analysis compared to base scenario.

Scenario description	General Average Premium (GAP) rate	Reserve ratio in 20 years (2042)	Reserve ratio in 40 years (2062)
Base results	0.2%	95.1	158.8
Effect of varied assumptions:			
Investment Return: 5.0% p.a.	0.2%	74.7	95.0
Investment Return: 9.0% p.a.	0.2%	122.1	273.7
Inflation 4.0% p.a.	0.19%	107.5	208.1
Inflation 6.0% p.a.	0.205%	84.5	122.8
Lower Growth of Active Members	0.22%	93.8	165.2
Higher Fertility Rates	0.25%	73.5	121.6
Lower Administration Costs	0.19%	104.0	169.8
Higher Administration Costs	0.21%	87.4	148.7

54. Events after the reporting period

There are no reportable subsequent events.

55. Financial risk management

The Board has exposure to the following risks from its use of financial instruments:

- Market risk,
- Liquidity risk,
- Credit risk, and
- Capital management risk

Included below is information about the Board's exposure to each of the above risks, the Board's objectives, policies and processes for measuring and managing the risks and the Board's management of capital.

Risk management framework

The Board's Board of Directors has overall responsibility for the establishment and oversight of the Board's risk management framework. The Board has established an Audit and Risk Committee, and the Risk Department, which are responsible for developing and monitoring the risk management policies in their specified areas. All Board committees have non-executive members and report regularly to the Board of Directors on their activities.

NOTES TO THE FINANCIAL STATEMENTS (continued)

The Board's risk management policies are established to identify and analyse the risks faced by the Board, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions,

products and services offered. The Board through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Board's Audit and Risk Committee is responsible for monitoring compliance with the Board's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Board. The Audit and Risk Committee is assisted in these functions by Internal Audit and Risk functions.

Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee

a) Market risk

Market risk is the risk that changes in market prices, such as investment prices, interest rates and foreign exchange rates will affect the Board's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within the acceptable parameters, while optimising the return on investment.

Management of market risks

Market risk arises from a decrease in the market value of a portfolio of financial instruments caused by adverse movements in the market variables such as equity, bonds and property prices, currency exchange rates and interest rates.

The Board grants authority to take on market risk exposure to the Management Investment Committee (MIC). This committee manages this risk through the guidelines set out in the Board's investment policy.

Equity price risk

The Board is exposed to equity securities price risk through its investments in quoted and unquoted shares. The Board's Investment committee diversifies its portfolio. Diversification of the portfolio is done in accordance with the guidelines set out in the Board's investment policy. All shares held by the Board are either quoted on Rwanda Stock Exchange and Nairobi Securities Exchanges or unquoted.

The table below shows the effect of share price sensitivity on the surplus for the year based on the share price volatility as at 30 June 2023;

Type of Investment	Change in share price %	Effect on surplus	
		Pension 2023 Frw'million	Effect on surplus Medical 2023 Frw'million
Equity investments at fair value through profit or loss	+/-10%	18,063	1,307
		2022 Frw'million	2022 Frw'million
Equity investments at fair value through profit or loss	+/-9%	14,385	1,074

Property price risk

The Board is exposed to property price risk through its investments in real estate properties. The Board's Investment committee diversifies its portfolio. Diversification of the portfolio is done in accordance with the guidelines set out in the Board's investment policy. The Board last undertook a valuation of its investment property as at 30 June 2022 and adopted valuations of investment and administrative properties as at 30 June 2022 and maintained as at 30 June 2023.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

The table below shows the effect of property price sensitivity on the surplus for the year;

	Change in property price %	Effect on surplus Pension 2022 Frw'million	Effect on surplus Medical 2022 Frw'million
Investment property	+/-10%	21,759	1,253
		2022	2022
		Frw	Frw
Investment property	+/-9%	19,357	1,128

Currency risk

The Board is exposed to currency risk through transactions in foreign currencies. The Board transactional exposures give rise to foreign currency gains and losses that are recognised in the statement of comprehensive income. In respect of monetary assets and liabilities in foreign currencies, the Board ensures that its net exposure is kept to an acceptable level. Monitoring of foreign currency fluctuations is done through the Investment Committee. The Board operates wholly within Rwanda and its assets and liabilities are reported in Rwanda Francs, although it maintains some of its assets and trades with banks in foreign currencies.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Currency risk

The Board had the following currency positions:

Gross Balances	Pension USD	Medical USD	Pension Kshs	Pension Frw'millions	Medical Frw'millions	CBHI Frw'millions	Maternity Leave Frw'millions	Ejo Heza Frw'millions	Total Frw'millions
30-June-2023									
Financial assets									
Cash and bank balances	31,015	5,875	2,579	33,295	37,787	9,255	5,189	1,527	128,302
Deposits with financial institutions	-	-	-	117,780	135,529	-	12,465	3,956	269,729
Treasury bonds	-	-	-	316,745	129,880	-	32,494	41,705	520,834
Treasury bills	-	-	-	9,608	32,572	19,795	2,366	-	64,342
Corporate bonds	-	-	-	58,503	15,765	-	-	-	74,268
Commercial papers	-	-	-	58,287	-	-	-	-	58,287
Mortgage loans	-	-	-	34	-	-	-	-	34
Loans and advances to third parties	-	-	-	3,844	26,268	-	-	-	30,112
Dividend receivable	817	822	1,763	9,850	251	-	-	-	13,503
Advances to contractors	-	-	-	3,478	31	(0)	-	-	3,509
Other assets	-	-	-	6,948	249	14,950	18	-	22,164
Due from/(Due to) other schemes	-	-	-	-	6,553	-	-	-	6,553
Total financial assets (A)	31,832	6,497	4,342	620,372	384,875	44,000	52,533	47,188	1,191,637
Financial liabilities									
Retentions on construction contracts	-	-	-	2,452	69	-	-	-	2,521
Medical and maternity leave benefits payable	-	-	-	-	14,334	22,646	291	-	37,271
Other payables	-	-	-	-	9,396	19,440	368	-	29,204
Due to other schemes	-	-	-	6,294	-	27	232	-	6,553
Total financial liabilities (B)	-	-	-	15,650	15,250	36,048	742	145	67,834
Net financial assets (A-B)	31,832	6,497	4,342	604,722	369,625	7,952	51,791	47,043	1,123,803
Foreign currency exposure at 30 June	31,832	6,497	4,342	-	-	-	-	-	42,670

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Gross Balances	Pension USD Frw'millions	Medical USD Frw'millions	Pension Kshs Frw'millions	Pension Frw'millions	Medical Frw'millions	CBHI Frw'millions	Maternity Leave Frw'millions	Ejo Heza Frw'millions	Total Frw'millions
2022									
30-June-2022									
Financial assets									
Cash and bank balances	61,750	-	1,638	42,086	73,311	16,497	6,732	1,235	203,149
Deposits with financial institutions	-	-	-	121,948	131,318	-	23,260	2,611	279,136
Treasury bonds	-	-	-	191,767	56,763	-	6,832	27,651	285,013
Treasury bills	-	-	-	22,383	38,046	-	1,970	-	62,399
Corporate bonds	-	-	-	57,699	-	-	-	-	57,699
Commercial papers	-	-	-	29,751	-	-	-	-	29,751
Mortgage loans	-	-	-	11	-	-	-	-	11
Loans and advances to third parties	-	-	-	51,140	28,795	-	-	-	33,935
Dividend receivable	1,310	222	673	6,665	-	-	-	-	8,870
Advances to contractors	-	-	-	6,355	30	-	-	-	6,386
Other assets	-	-	-	3,521	272	6,270	20	-	10,083
Due from/(Due to) other schemes	-	-	-	(1,116)	872	(34)	278	-	(0)
Equity investments	15,928	24,071	48,172	422,996	32,731	-	-	-	543,897
Total financial assets (A)	78,988	24,293	50,482	909,207	364,036	22,734	39,093	31,497	1,520,330
Financial liabilities									
Retentions on construction contracts	-	-	-	1,387	63	3	-	-	1,453
Medical and maternity leave benefits payable	-	-	-	-	9,396	19,440	388	-	29,204
Other payables	-	-	-	2,858	1,055	15,761	102	145	19,920
Total financial liabilities (B)	-	-	-	4,244	10,514	35,205	470	145	50,578
Net financial assets (A-B)	78,988	24,293	50,482	904,963	353,522	(12,471)	38,623	31,352	1,469,752
Foreign currency exposure at 30 June 2022	78,988	24,293	50,482	-	-	-	-	-	153,764

The table below indicates the currencies to which the Board had significant exposure at 30 June on its non-trading monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Rwanda Francs, with all other variables held constant, on the statement of comprehensive income (due to the fair value of currency sensitive non-trading monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of comprehensive income and equity, while a positive amount reflects a net

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

potential increase. An equivalent decrease in each of the below currencies against the Rwanda Francs would have resulted in an equivalent but opposite impact.

The following exchange rates applied during the year:

Currency	Pension			Medical		
	Change in currency rate in %	Effect on net income for the year	Change in currency rate in %	Effect on net income for the year		
USD	2023 +/-10%	2023 3,183	2023 +/-10%	2023 650	2022 Frw	2,186
KES	+/-10%	434	+/-10%	-		
USD	2022 %	2022 Frw	2022 %	2022 Frw		
KES	+/-9%	6,319	+/-9%	2,186		
	+/-9%	4,039	+/-9%	-		
	Average rate	Reporting date spot rate				
	2023	2022	2023	2022	Frw	1014
USD	Frw	Frw	Frw	Frw		
	1,059	998	1,193.96			
KES	8.12	8.8	8.82			8.6

Interest rate risk

In broad terms, interest rate risk is the risk that concerns the sensitivity of the Board's financial performance to changes in interest rates. The Board's operations are subject to the risk of interest rate fluctuations to the extent that interest earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. Risk management activities are aimed at optimizing net interest income, given market interest rates levels consistent with the Board's business strategies.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

The Board does not account for any fixed rate or variable rate financial assets at fair value through profit or loss. Therefore, a change in interest rate at the statement of financial position date will not affect the Board's surplus or deficit but would change the future performance of the Board. In addition, there are no financial assets held at variable interest rates.

The tables below summarize the exposure to interest rate risk per scheme. Included in the table are the Board's assets and liabilities at carrying amounts, categorized by the earlier of contractual re-pricing dates and the maturity dates.

Pension scheme

Financial assets	Average rate	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	> 1 year Frw'millions	Non-Interest bearing Frw'millions	Total Frw'millions
30 JUNE 2023							
Cash and bank balances	5%	68,497	0	0	0		68,497
Deposits with financial institutions	10%	0	39,400	16,687	61,022		117,109
Treasury bonds	12%	0	21,291	26,195	267,917		315,404
Treasury bills	8%	0	0	9,568	0		9,568
Corporate bonds	12%	0	0	13,003	45,148		58,152
Commercial papers	11%	0	0	57,938	0		57,938
Mortgage loans	12%	0	0	32	0		32
Loans and advances to third parties	0%	0	0	0	3,825		3,825
Dividend receivable	0%	0	0	0	0	12,356	12,356
Advances to contractors	0%	0	0	0	0	3,370	3,370
Other financial assets	0%	0	6,903	0	0		6,903
Due from/(Due to) other schemes	0%	-	-	-	-	(6,294)	(6,294)
Total financial assets (A)		68,497	67,594	123,423	377,913	9,431	646,858
Retentions on construction contracts	0%					2,452	2,452
Other payables	0%					2,080	2,080
Total financial liabilities (B)		0	0	0	0	4,532	4,532
Net financial assets (A-B)		68,497	67,594	123,423	377,913	4,899	642,325
Interest rate exposure as at 30 June 2023		68,497	67,594	123,423	377,913	0	68,497

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Financial assets	Average rate	Matured	<3 months	3-12 months	> 1 year	Non-Interest bearing	Total
		Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
2022							
Cash and bank balances	5%	105,474	-	-	-	-	105,474
Deposits with financial institutions	10%	-	38,252	7,073	76,622	-	121,948
Treasury bonds	12%	-	2,086	17,097	172,585	-	191,767
Treasury bills	8%	-	17,835	4,548	-	-	22,383
Commercial papers	11%	-	-	29,751	-	-	29,751
Mortgage loans	12%	-	-	-	11	-	11
Corporate bonds	12%	-	-	3,376	54,324	-	57,699
Equity investments	0%	-	-	-	-	487,095	487,095
Loans and advances to third parties	0%	-	-	-	-	5,140	5,140
Dividend receivable	0%	-	-	-	-	8,649	8,649
Advances to contractors	0%	-	-	-	-	6,355	6,355
Other financial assets	0%	-	3,521	-	-	-	3,521
Due from/(Due to) other schemes	0%	-	-	(1,116)	-	-	(1,116)
Total financial assets (A)		105,474	61,694	60,728	303,542	507,239	1,038,677
Retentions on construction contracts	0%	-	-	-	-	1,387	1,387
Benefits payable	0%	-	-	-	-	-	-
Other payables	0%	-	-	-	-	2,858	2,858
Total financial liabilities (B)		-	-	-	-	4,244	4,244
Net financial assets (A-B)		105,474	61,694	60,728	303,542	502,994	1,034,433
Interest rate exposure as at 30 June 2022		105,474	61,694	60,728	303,542	-	1,038,677

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Medical Scheme

Assets	Average rate	Matured Frw'millions	≤ 3 months Frw'millions	3-12 months Frw'millions	> 1 year Frw'millions	Non-Interest bearing Frw'millions	Total Frw'millions
2023							
Cash and bank balances	5%	43,195	0	0	0		43,195
Deposits with financial institutions	10%	0	76,499	9,790	48,467		134,756
Treasury bonds	12%	0	0	0	129,340		129,340
Treasury bills	8%	0	0	32,434	0		32,434
Corporate bonds	8%	0	0	765	14,905		15,671
Loans and advances to third parties	0%					26,111	26,111
Advances to contractors	0%					30	30
Dividend receivable	0%					1,067	1,067
Other financial assets	0%					247	247
Due from other schemes	8%					6,553	6,553
Total Assets		43,195	76,499	42,989	192,712	34,007	389,403
Retentions on construction contracts	0%					69	69
Benefits payable	0%					14,334	14,334
Other payables	0%					847	847
Total financial liabilities (B)		0	0	0	0	15,250	15,250
Net financial assets/(liabilities) (A-B)		43,195	76,499	42,989	192,712	18,757	374,153
Exposure to interest rate risk as at 30 June 2023		43,195	76,499	42,989	192,712	0	355,396

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Assets	Average rate	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	> 1 year Frw'millions	Non-Interest bearing Frw'millions	Total Frw'millions
2022							
Cash and bank balances	5%	73,211	-	-	-	-	73,211
Deposits with financial institutions	10%	-	43,173	41,234	46,911	-	131,318
Treasury bonds	12%	-	3,920	13,177	41,666	-	58,763
Treasury bills	8%	-	35,800	2,246	0	-	38,046
Equity investments	1%	-	-	-	28,933	-	28,933
Loans and advances to third parties	0%	-	-	-	-	28,795	28,795
Dividend receivable	0%	-	-	-	-	222	222
Advances to contractors	0%	-	-	-	-	30	30
Other financial assets	0%	-	-	-	-	272	272
Due from other schemes	0%	-	-	-	-	872	872
Total Assets		73,211	82,893	56,656	117,511	30,190	360,460
Retentions on construction contracts	0%	-	-	-	-	63	63
Benefits payable	0%	-	-	-	-	9,396	9,396
Other payables	0%	-	-	-	-	1,055	1,055
Total financial liabilities (B)		-	-	-	-	10,514	10,514
Net financial assets/(liabilities) (A-B)		73,211	82,893	56,656	117,511	19,677	349,947
Exposure to interest rate risk as at 30 June 2022		73,211	82,893	56,656	117,511	-	330,270

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

CBHI scheme

2023	Average rate	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	> 1 year Frw'millions	Non-Interest bearing Frw'millions	Total Frw'millions
Financial assets							
Cash and bank balances	5%	9,200	0	0	0		9,200
Advances to contractors	0%	0	19,711	0	0	(0)	19,711
Other financial assets	0%	0	0	(0)	0	14,950	14,950
Total financial assets		9,200	19,711	(0)	0	14,950	43,861
Financial liabilities							
Amounts retained on construction contracts	0%						0
Benefits payable	0%					22,646	22,646
Due to other schemes	0%					27	27
Other payables	0%					13,375	13,375
Total financial liabilities		0	0	0	0	36,048	36,048
Net financial assets/(liabilities)		9,200	19,711	(0)	0	(21,098)	7,814
Exposure to interest rate risk as at 30 June 2023		9,200	19,711	(0)	0	0	28,912

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

2022

Financial assets

	Average rate	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	> 1 year Frw'millions	Non-Interest bearing Frw'millions	Total Frw'millions
Cash and bank balances	5%	16,497	-	-	-	-	16,497
Advances to contractors	0%	-	-	-	-	-	1
Other financial assets	0%	-	-	-	-	5,770	5,770
Total financial assets		16,497	-	-	-	5,771	22,268

Financial liabilities

Amounts retained on construction contracts	0%	-	-	-	-	-	-
Benefits payable	0%	-	-	-	-	-	-
Due to other schemes	0%	-	-	-	-	(34)	(34)
Other payables	0%	-	-	-	-	15,761	15,761
Total financial liabilities		-	-	-	-	15,728	15,728

Net financial assets/(liabilities)

		16,497	-	-	-	(9,957)	6,540
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Exposure to interest rate risk as at 30 June 2022

		16,497	-	-	-	-	16,497
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NOTES TO THE FINANCIAL STATEMENTS (continued)

	Average rate	Matured	<3 months	3-12 months	> 1 year	Non-Interest bearing	Total
		Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
2023							
Financial assets							
Cash and bank balances	5%	5,158	0	0	0		5,158
Deposits with financial institutions	10%	0	10,588	0	1,806		12,394
Treasury bills	8%	0	0	2,356	0		2,356
Treasury bond	12%	0	0	11,876	20,481		32,357
Advances to contractors	0%					0	0
Other financial assets	0%					18	18
Total financial assets		5,158	10,588	14,232	22,287	18	52,283
Financial liabilities							
Retention on construction contracts	0%					0	0
Benefits payable	0%					291	291
Due from/(Due to) other schemes	0%					232	232
Other payables	0%					219	219
Total financial liabilities		0	0	0	0	742	742
Net financial assets/(liabilities)		5,158	10,588	14,232	22,287	(724)	51,541
Exposure to interest rate risk as at 30 June 2023		5,158	10,588	14,232	22,287	0	52,265

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

2022

Financial assets

Cash and bank balances

Deposits with financial institutions

Treasury bills

Advances to contractors

Other financial assets

Total financial assets

Financial liabilities

Retention on construction contracts

Benefits payable

Due from/(Due to) other schemes

Other payables

Total financial liabilities

Net financial assets/(liabilities)

Exposure to interest rate risk as at 30 June 2022

	Average rate	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	> 1 year Frw'millions	Non-Interest bearing Frw'millions	Total Frw'millions
Cash and bank balances	5%	6,732					6,732
Deposits with financial institutions	10%	0	9,707	13,553	0		23,260
Treasury bills	8%	0	184	1,786	0		1,970
Advances to contractors	0%	0	0	0	0		0
Other financial assets	0%	0	0	0	0	20	20
Total financial assets		6,732	9,890	15,340	0	20	31,982
Retention on construction contracts	0%	-	-	-	-	-	-
Benefits payable	0%	-	-	-	-	368	368
Due from/(Due to) other schemes	0%	-	-	-	-	278	278
Other payables	0%	-	-	-	-	102	102
Total financial liabilities		-	-	-	-	748	748
Net financial assets/(liabilities)		6,732	9,890	15,340	-	(728)	31,234
Exposure to interest rate risk as at 30 June 2022		6,732	9,890	15,340	-	20	31,982

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Ejo Heza

	Average rate	Matured	<3 months	3-12 months	> 1 year	Non-Interest bearing	Total
		Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
2023							
Financial assets							
Cash and bank balances	5%	1,515					1,515
Deposits with financial institutions	10%	0	0	3,941	0		3,941
Treasury bonds	12%	0	0	2,746	38,841		41,587
Total financial assets		1,515	0	6,687	38,841	0	47,043
Financial liabilities							
Other payables	0%					130	130
Total financial liabilities		0	0	0	0	130	130
Net financial assets/(liabilities)		1,515	0	6,687	38,841	(130)	46,913
Exposure to interest rate risk as at 30 June 2023		1,515	0	6,687	38,841	0	47,043

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

2022	Average rate	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	> 1 year Frw'millions	Non-Interest bearing Frw'millions	Total Frw'millions
Financial assets							
Cash and bank balances	5%	1,235	-	-	-	-	1,235
Treasury bonds	12%	-	251	2,160	25,240	-	27,651
Total financial assets		1,235	251	2,160	25,240	-	28,886
Financial liabilities							
Other payables	0%	-	-	-	-	145	145
Total financial liabilities		-	-	-	-	145	145
Net financial assets/(liabilities)		1,235	251	2,160	25,240	(145)	28,742
Exposure to interest rate risk as at 30 June 2022		1,235	251	2,160	25,240	-	28,886

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

b) Liquidity risk

Liquidity risk is the risk that the Board will encounter difficulty in meeting obligations on its financial liabilities. It includes both the risk of being unable to fund assets at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

Management of liquidity risk

The Board has access to a diverse funding base. Funds are raised mainly from members' contributions and reserves. The Board continually assesses liquidity risk by identifying and monitoring changes in funding required in meeting business goals and targets set in terms of the overall Board strategy. In addition, the Board has a Management Investment Committee that meets on a regular basis to monitor liquidity risk, review and approve liquidity policies and procedures.

Exposure to liquidity risk

The table below analyses financial assets and financial liabilities into relevant maturity groupings based on the remaining period at 30 June 2022 to the contractual maturity date. All balances are in Frws.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Pension scheme

	Matured	<3 months	3-12 months	1-5 years	> 5 years	Total
	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions	Frw'millions
Financial assets						
Cash and bank balances	68,497					68,497
Deposits with commercial banks		39,400	16,687	41,533	19,489	117,109
Treasury bonds		21,291	26,195	89,578	178,339	315,404
Treasury bills			9,568			9,568
Corporate Bonds			13,003	45,148		58,152
Commercial papers			57,938			57,938
Mortgage loans			32	0		32
Loan and advances to third parties				3,825		3,825
Advances to contractors			3,370			3,370
Dividend receivable		12,356				12,356
Other assets		6,903				6,903
Due from/(Due to) other schemes			(6,294)			(6,294)
Total financial assets	68,497	79,950	126,793	180,085	197,828	646,858
Financial liabilities						
Amounts retained on construction contracts				2,452		2,452
Other payables		2,080				2,080
Financial liabilities	0	2,080	0	2,452	0	4,532
Liquidity surplus as at 30 June 2023	68,497	77,870	126,793	177,632	197,828	642,325

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Pension scheme

At 30 June 2022

	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	1-5 years Frw'millions	> 5 years Frw'millions	Total Frw'millions
Financial assets						
Cash and bank balances	105,474	-	-	-	-	105,474
Deposits with commercial banks	-	38,252	7,073	45,793	30,829	121,948
Treasury bonds	-	2,086	17,097	81,056	91,529	191,767
Treasury bills	-	17,835	4,548	-	-	22,383
Corporate Bonds	-	-	3,376	54,324	-	57,699
Commercial papers	-	-	29,751	-	-	29,751
Mortgage loans	-	-	-	11	-	11
Loan and advances to third parties	-	-	-	5,140	-	5,140
Advances to contractors	-	-	6,355	-	-	6,355
Dividend receivable	-	8,649	-	-	-	8,649
Other assets	-	3,521	-	-	-	3,521
Due from/(Due to) other schemes	-	-	(1,116)	-	-	(1,116)
Total financial assets	105,474	70,343	68,200	186,324	122,358	552,699
Financial liabilities						
Amounts retained on construction contracts	-	-	-	1,387	-	1,387
Other payables	-	2,858	-	-	-	2,858
Financial liabilities	-	2,858	-	1,387	-	4,244
Liquidity surplus as at 30 June 2022	105,474	67,485	68,200	184,938	122,358	548,454

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Medical scheme

At 30 June 2023

Financial assets

	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	1-5 years Frw'millions	> 5 years Frw'millions	Total Frw'millions
Cash and bank balances	43,195					43,195
Deposits with commercial banks		76,499	9,790	37,040	11,427	134,756
Treasury bonds		0	0	27,128	102,211	129,340
Treasury bills			32,434			32,434
Corporate Bonds			765	14,905		15,671
Loan and advances to third parties			0	26,111		26,111
Advances to contractors			30			30
Dividend receivable		1,067				1,067
Other assets						0
Due from/(Due to) other schemes			247			247

Total financial assets

	43,195	77,566	6,553	105,184	113,639	389,403
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Financial liabilities

Amounts retained on construction contracts

Benefits payable

Other payables

Total financial liabilities

				69		69
		14,334				14,334
		847				847
	0	15,181	0	69	0	15,250

Liquidity surplus as at 30 June 2023

	43,195	62,385	43,267	105,115	113,639	374,153
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**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Medical scheme

At 30 June 2022	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	1-5 years Frw'millions	> 5 years Frw'millions	Total Frw'millions
Financial assets						
Cash and bank balances	73,211	-	-	-	-	73,211
Deposits with commercial banks	-	43,173	41,234	16,002	30,910	131,318
Treasury bonds	-	3,920	13,177	6,251	35,415	58,763
Treasury bills	-	35,800	2,246	0	0	38,046
Loan and advances to third parties	-	-	0	28,795	-	28,795
Advances to contractors	-	-	30	-	-	30
Dividend receivable	-	222	-	-	-	222
Other assets	-	-	272	-	-	272
Due from/(Due to) other schemes	-	-	872	-	-	872
Total financial assets	73,211	83,114	56,958	51,186	66,325	330,655
Financial liabilities						
Amounts retained on construction contracts	-	-	-	63	-	63
Benefits payable	-	9,396	-	-	-	9,396
Other payables	-	1,055	-	-	-	1,055
Total financial liabilities	-	10,451	-	63	-	10,514
Liquidity surplus as at 30 June 2022	73,211	72,664	56,958	50,985	66,325	320,141

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

CBHI Scheme

At 30 June 2023

Financial assets

Cash and bank balances	9,200						
Treasury bill	0	19,711	0				9,200
Advances to contractors			(0)				19,711
Other assets			14,950				(0)
Total financial assets	9,200	19,711	14,950	0	0	0	14,950
							43,861

Financial liabilities

Benefits payable		22,646					22,646
Due to other schemes			27				27
Other payables		13,375					13,375
Financial liabilities	0	36,021	27	0	0	0	36,048

Liquidity surplus/(gap) as at 30 June 2023

	9,200	55,732	14,976	0	0	0	7,814
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**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

CBHI Scheme

At 30 June 2022

Financial assets

Cash and bank balances	16,497	-	-	-	-	16,497
Advances to contractors	-	-	-	-	-	-
Other assets	-	-	6,270	-	-	6,270
Total financial assets	16,497	-	6,270	-	-	22,767

Financial liabilities

Benefits payable	-	19,440	-	-	-	19,440
Due to other schemes	-	-	(34)	-	-	(34)
Other payables	-	15,761	-	-	-	15,761
Financial liabilities	-	35,201	(34)	-	-	35,167

Liquidity surplus/(gap) as at 30 June 2022

16,497	35,201	6,236	-	(12,400)
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**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Maternity scheme

At 30 June 2023

Financial assets

Cash and bank balances	5,158						
Treasury bills	0	0	2,356				5,158
Treasury bonds			11,876	20,481			2,356
Deposits with financial institutions	0	10,588		1,806	0		32,357
Advances to contractors							12,394
Other assets			18				0
Total financial assets	5,158	10,588	14,250	22,287	0	0	52,283

Financial liabilities

Retention on construction				0			0
Benefits payable		291					291
Due to other schemes			232				232
Other payables		219					219
Financial liabilities	0	510	232	0	0	0	742

Liquidity surplus as at 30 June 2022

5,158	10,078	14,018	22,286	0	0	51,541
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**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Maternity scheme

At 30 June 2022	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	1-5 years Frw'millions	> 5 years Frw'millions	Total Frw'millions
Financial assets						
Cash and bank balances	6,732	-	-	-	-	6,732
Treasury bills	-	184	1,786	-	-	1,970
Treasury bonds	-	-	355	6,477	-	6,832
Deposits with financial institutions	-	9,707	13,553	0	-	23,260
Advances to contractors	-	-	-	-	-	-
Other assets	-	-	20	-	-	20
Total financial assets	6,732	9,890	15,715	6,477	-	38,815
Financial liabilities						
Retention on construction	-	-	-	-	-	-
Benefits payable	-	368	-	-	-	368
Due to other schemes	-	-	278	-	-	278
Other payables	-	102	-	-	-	102
Financial liabilities	-	470	278	-	-	748
Liquidity surplus as at 30 June 2022	6,732	9,420	15,437	6,477	-	38,066

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Ejo Heza

At 30 June 2023

Financial assets

Cash and bank balances

Deposits with financial institutions

Treasury bonds

Total financial assets

Financial liabilities

Deferred income

Other payables

Financial liabilities

Liquidity surplus as at 30 June 2023

At 30 June 2022

Financial assets

Cash and bank balances

Deposits with financial institutions

Treasury bonds

Total financial assets

Financial liabilities

Deferred income

Other payables

Financial liabilities

Liquidity surplus as at 30 June 2022

	Matured Frw'millions	<3 months Frw'millions	3-12 months Frw'millions	1-5 years Frw'millions	> 5 years Frw'millions	Total Frw'millions
Cash and bank balances	1,515					1,515
Deposits with financial institutions	0	0	3,941	0	0	3,941
Treasury bonds	0	0	2,746	38,841	0	41,587
Total financial assets	1,515	0	6,687	38,841	0	47,043
Financial liabilities						
Deferred income			1,305			1,305
Other payables		130				130
Financial liabilities	0	130	1,305	0	0	1,435
Liquidity surplus as at 30 June 2023	1,515	(130)	5,382	38,841	0	45,608
At 30 June 2022						
Financial assets						
Cash and bank balances	1,235	-	-	-	-	1,235
Deposits with financial institutions	-	2,108	503	-	-	2,611
Treasury bonds	-	251	2,160	25,240	-	27,651
Total financial assets	1,235	2,359	2,663	25,364	-	31,497
Financial liabilities						
Deferred income	-	837	-	-	-	837
Other payables	-	145	-	-	-	145
Financial liabilities	-	982	-	-	-	982
Liquidity surplus as at 30 June 2022	1,235	1,377	2,663	25,364	-	30,515

NOTES TO THE FINANCIAL STATEMENTS (continued)

c) Credit risk

Credit risk is the risk of financial loss to the Board if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Board's loans and advances, trade and other receivables, deposits with commercial banks and investments in government and corporate bonds. For risk management reporting purposes, the Board considers all elements of credit risk exposure such as individual obligator default risk, country and sector risk.

For risk management purposes, credit risk arising on trading securities is managed independently, but reported as a component of market risk exposure.

Management of credit risk

The Board of Directors has delegated responsibility for the management of credit risk to its Management Investment Committee. The Investments Department is responsible for oversight of the Board's credit risk, including:

- Formulating credit policies, covering collateral requirements and credit assessments, risk grading and reporting. Documentary, legal procedures and compliance with regulatory and statutory requirements is done in consultation with the Board's Legal and Compliance Department.
- Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to the Management Investment Committee. Larger facilities require approval by the Board of Directors as appropriate.
- Reviewing compliance of investment mix with agreed exposure limits, including those for selected industries, country risk and product types. The Board's Investment Committee is responsible for monitoring the credit quality of investments and ensuring that appropriate corrective action is taken and providing advice, guidance and specialist skills to business units to promote best practice throughout the Board in the management of credit risk.

The Investment department is required to implement the Board's credit policies and procedures, with credit approval authorities delegated from the Board's Board of Directors. The Investment department is responsible for the quality and performance of the Board's investment portfolio and for monitoring and controlling all credit risks in the Board's portfolio, including those subject to Board approval. Regular audits of the Investment department and the Board's credit processes are undertaken by the Internal Audit department.

**RWANDA SOCIAL SECURITY BOARD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure as at the statement of financial position date was:

	Pension Scheme		Medical Scheme		CBHI Scheme		Maternity Scheme		Ejo Heza		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons	Frw'milli ons
Bank balances	68,497	105,474	43,195	73,211	9,200	16,497	5,158	6,732	1,515	1,235	127,565	203,149
Treasury bonds	315,403	191,767	129,339	58,763	0	0	32,357	6,832	41,587	27,651	518,686	285,013
Treasury bills	9,568	22,383	32,434	38,046	19,711	0	2,356	1,970	0	0	64,070	62,399
Loans and advances to third parties	3,825	5,140	26,111	28,795	0	0	0	0	0	0	29,936	33,935
Deposits due from banks	117,007	121,948	134,757	131,318	0	0	12,395	23,260	3,941	2,611	268,100	279,136
Dividends and other income receivable	12,356	8,649	1,067	222	0	0	0	0	0	0	13,423	8,870
Commercial papers	57,938	29,751	0	0	0	0	0	0	0	0	57,938	29,751
Mortgage loans	32	11	0	0	0	0	0	0	0	0	32	11
Other assets	6,910	3,521	254	272	14,955	6,270	19	20	0	0	22,138	10,083
Due from/(Due to) other assets	(6,294)	(1,116)	6,553	872	(27)	(34)	(232)	278	0	0	0	(0)
Total financial assets	585,241	487,528	373,710	331,497	43,840	22,734	52,053	39,093	47,043	31,497	1,101,886	912,348

NOTES TO THE FINANCIAL STATEMENTS (continued)

d) Capital risk management

The primary source of capital used by the Board is member contributions and income from investments. For regulatory purposes, the Medical division's capital includes both Capital and retained earnings. By the nature of its establishment, the medical division does not pay dividends. Its equity is managed to safeguard its ability to pay members medical benefits. Other objectives when managing its capital are:

- to comply with the capital requirements as set out in the Insurance Regulations;
- to comply with regulatory solvency requirements as set out in the Insurance Regulations; and
- to safeguard the medical scheme's ability to continue in operational continuity, so that it can continue to pay benefits to its members.

In 2008, Law No. 52/2008 governing the organisation of insurance business in Rwanda ("the Insurance Law") was promulgated. The Insurance Law requires entities providing short term insurance to hold a minimum level of paid up capital of Frw 1 billion. It also sets regulatory solvency thresholds for insurance companies, based on prescribed admissibility criteria for assets and liabilities. The regulatory solvency requirements were effective in 2011.

On 7 January 2019, Regulation N° 2310/2018 - 00014[614] Of 27/12/2018 Of The National Bank of Rwanda on Licensing Conditions for insurers And reinsurers was gazetted, Under article 8 of the regulation, the minimum paid -up capital for general insurance business was set at a minimum of Frw 3 billion.

The pension fund considers its reserves comprising of statutory reserves and accumulated members funds as its 'equity'. The primary objective in managing those reserves is to ensure that adequate solvency is maintained for purposes of future benefit payments to members. The level of statutory reserves is legislated as set out under Note 48. Other than for those reserves, the fund is not required to meet any other external capital requirements. The fund carries out periodical actuarial assessments to assess its actuarial solvency.