



Mutual Benefits Assurance Plc.

RC 269837

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 20th Annual General Meeting of Mutual Benefits Assurance PLC will be held at Shell Hall, Muson Centre, Onikan, Lagos, on Wednesday, 5th October, 2016 at 11.00a.m. to transact the following:

ORDINARY BUSINESS

1. To lay before the Members, the Audited Financial Statements of the Company for the year ended 31st December 2015 together with the Reports of Directors, Auditors and Audit Committee thereon.
2. To elect/re-elect Directors.
3. To elect members of the Audit Committee
4. To appoint Messrs Ernst & Young (Chartered Accountants) as the Auditors of the Company in place of Messrs. BDO Professional Services who resigned their appointment during the year .
5. To authorize the Directors to determine their remuneration.

SPECIAL BUSINESS

6. To approve the remuneration of the Directors.
7. To consider and if thought fit to pass the following as Ordinary Resolution
 - i. That pursuant to the Article 35 of the Articles of Association, the Authorised Share Capital of the Company be and is hereby increased from N5,000,000,000 (Five Billion Naira) to N10,000,000,000 (Ten Billion Naira) by the creation of 20,000,000,000 (Twenty Billion) additional Ordinary Shares of 50 kobo each ranking pari passu in all respects with the existing Ordinary Shares of the Company"
 - ii. That the Directors be and are hereby authorized to raise whether by way of an offer for subscription, placing rights issue or other methods or combination of methods, additional capital by way of issuance of ordinary shares, Preference shares, convertible or non-convertible loans, stocks, medium term notes, bonds or other securities, in such tranches, series or proportions, at such coupons or interest rates within such maturity period and on such terms and conditions, including the provision of security for repayment, as the directors may deem fit or determine, subject to obtaining the requisite regulatory approvals"
 - iii. That any capital raising exercise undertaken by the Company pursuant to this Resolution may be underwritten on such terms as may be determined by the Directors, subject to obtaining the approval of the regulatory authorities.
 - iv. That the Directors of the Company be and are hereby authorised to enter into any agreement and/or execute any document necessary to or incidental to giving effect to the above resolutions.
 - v. That the Directors of the Company be and are hereby authorised to appoint such professional parties and advisers and to perform all such other acts and do all such things as may be necessary to give effect to the above resolutions, including without limitation, complying with the directives of the regulatory authorities.
8. That the existing Memorandum and Articles of Association of the Company be and is hereby amended by Special Resolution as follows:
 - i. That Clause 6 of the Memorandum of Association be altered by deleting the words "the Authorized Share Capital of the company is N2,500,000,000 (Two Billion and Five Hundred Million Naira) divided into 5,000,000,000 (Five Billion) ordinary shares of 50 kobo each" and substituting with "the Authorised share capital of the Company is N10,000,000,000 (Ten Billion Naira) divided into 20,000,000,000 (Twenty Billion) Ordinary Shares of 50 kobo each.
 - ii. That the Article 5 of the Articles of Association, be altered by deleting the words "the share capital of the Company is N2,500,000,000 (Two Billion and Five Hundred Million Naira) divided into 5,000,000,000 (Five Billion) Ordinary Shares of 50 kobo each" and substituting it with "The share capital of the Company is N10,000,000,000 (Ten Billion Naira) divided into 20,000,000,000 (Twenty Billion) Ordinary Shares of 50 kobo each"
9. That the Company Secretary be and is hereby authorised to take such steps and to do such things as may be required to give effect to the above resolutions.

NOTES

1. **Proxy**

A member of the company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the company. A Proxy Form is attached to the Annual Reports and Accounts.
Executed proxy forms should be returned to the Registrar, Meristem Registrars Limited, 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos State, not less than 48 hours before the time of the meeting.
2. **Audit Committee**

In accordance with Section 359(5) of the Companies and Allied Matters Act, Cap C20, Laws of the Federation of Nigeria, 2004, any shareholder may nominate another shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.
3. **Closure of Register of Members**

In accordance with section 89 of CAMA, please note that the Register of Members and Transfer Books of the Company will be closed from 5th September, 2016 to 9th September, 2016 to enable the Registrar update its records in preparation for the meeting.
4. **E-Dividend**

Pursuant to the directive of the Securities and Exchange Commission, notice is hereby given to shareholders to provide account for the purpose of e-dividend /bonus. A form is inserted into this Annual Report & Accounts 2015 for completion by all shareholders to furnish the particulars of their accounts to the registrars (Meristem Registrars Limited, 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos State)
5. **Right of Shareholders to ask Questions**

Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company Secretary on or before the 23rd September, 2016
6. **Biographical Details of Directors**

Biographical details of Directors standing election/re-election are contained in the Annual Reports and Accounts.
7. **Website**

A copy of this Notice and other information relating to the meeting can be found at www.mbaplc.com

By Order of the Board

Olubunmi Oje (Mrs)
ABDULAH, TAIWO & CO.
COMPANY SECRETARIES
FRC/2013/0000004757
Dated 26th August, 2016

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Mutual Benefits Assurance Plc.

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AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

In thousands of Nigerian Naira	GROUP		COMPANY	
	2015	Restated* 2014	2015	2014
ASSETS				
Cash and cash equivalents	14,016,106	13,207,978	4,111,237	5,273,617
Financial assets				
Fair value through profit or loss	93,463	128,201	93,463	128,201
Available-for-sale investment securities	1,114,036	549,418	1,000	-
Loans and receivables	11,379,273	9,096,984	759,843	519,328
Assets pledged as collateral	115,297	129,467	115,297	129,467
Trade receivables	208,703	66,515	64,769	23,443
Reinsurance assets	1,414,600	1,562,803	1,224,190	1,235,294
Other receivables and prepayments	1,255,748	1,386,475	770,158	523,908
Finance lease receivables	1,044,864	518,455	668,727	739,877
Deferred acquisition costs	322,609	260,153	261,798	208,844
Inventories	1,533,164	3,020,272	-	-
Investment properties	8,731,665	6,984,764	56,000	47,000
Intangible assets	89,646	99,133	57,303	89,222
Property, plants and equipment	3,850,522	5,905,509	3,037,357	3,204,920
Investments in subsidiaries	-	-	2,000,000	2,010,000
Investment in associates	6,116	-	-	-
Statutory deposit	500,000	500,000	300,000	300,000
Deposit for shares	417,587	515,479	2,277,587	55,479
Deferred tax assets	-	97,097	-	-
Goodwill	1,543	17,980	-	-
Total assets	46,094,942	44,046,683	15,798,729	14,488,600
LIABILITIES				
Insurance contract liabilities	6,087,972	5,194,547	3,971,168	3,364,254
Investment contract liabilities	24,217,581	20,857,951	-	-
Trade payables	92,463	81,322	67,686	-
Other liabilities	1,811,330	5,569,823	446,643	1,084,493
Deposit liabilities	509,867	485,281	-	-
Book overdraft	-	6,605	-	6,605
Current income tax liabilities	521,385	505,961	317,932	248,738
Borrowings	4,073,095	3,619,988	4,073,095	3,562,515
Deferred tax liabilities	1,136,079	1,237,469	720,943	673,346
Total liabilities	38,449,772	37,558,947	9,597,467	8,939,951
EQUITY				
Share capital	4,000,000	4,000,000	4,000,000	4,000,000
Treasury shares	(250)	(250)	(250)	(250)
Foreign currency translation reserve	184,491	127,775	-	-
Contingency reserve	2,292,040	1,942,418	1,981,910	1,665,665
Revaluation reserve	1,288,563	1,288,563	1,288,563	1,288,563
Accumulated retained losses	(246,828)	(893,909)	(1,068,961)	(1,405,329)
Shareholders' fund	7,518,016	6,464,597	6,201,262	5,548,649
Total equity attributable to the:				
Owners of the parent	7,518,016	6,464,597	6,201,262	5,548,649
Non-controlling interests in equity	127,154	23,139	-	-
Total equity	7,645,170	6,487,736	6,201,262	5,548,649
Total liabilities and equity	46,094,942	44,046,683	15,798,729	14,488,600

Signed on behalf of the Board of Directors on 18 April 2016 by:

 Mr. Akin Opeodu <small>FRC/2013/ICAN/0000003128</small> <small>Chairman</small>	 Mr. Olusegun Omosehin <small>FRC/2013/ICIN/0000003103</small> <small>Managing Director</small>	 Mr. Abayomi Ogunwo <small>FRC/2015/ICAN/0000011225</small> <small>Chief Finance Officer</small>
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Period Ended 31 December 2015

In thousands of Nigerian Naira	GROUP		COMPANY	
	2015	Restated* 2014	2015	2014
Gross premium written	14,598,070	15,451,048	10,541,503	11,354,526
Gross premium income	13,801,208	15,535,631	10,230,490	11,347,162
Premium ceded to reinsurers	(6,066,626)	(6,193,206)	(5,959,847)	(6,070,869)
Net premium income	7,734,582	9,342,425	4,270,643	5,276,293
Fee and commission income	660,364	857,017	637,311	837,247
Net underwriting income	8,394,946	10,199,442	4,907,954	6,113,540
Net benefits and claims	2,337,394	2,366,260	1,087,324	1,259,128
Change in life fund	(3,273)	145,511	-	-
Change in annuity reserve	30,633	34,699	-	-
Underwriting expenses	2,143,891	2,405,872	1,257,035	1,324,641
Net underwriting expenses	4,508,635	4,952,342	2,344,359	2,583,769
Underwriting profit	3,886,311	5,247,100	2,563,595	3,529,771
Profit/(loss) on investment contracts	782,150	(47,583)	-	-
Investment income	854,296	1,054,670	729,417	964,454
Net fair value gain on assets at FVTPL	111,743	2,630,057	(39,908)	10,217
Other income	793,883	1,553,761	359,367	248,613
Impairment charge no longer required	8,473	94,834	8,473	506,561
Impairment charges	(54,656)	(106,734)	(28,761)	(18,502)
Employee benefit expenses	(1,863,591)	(1,519,549)	(879,347)	(762,659)
Other management expenses	(3,543,380)	(4,063,709)	(1,811,570)	(1,598,640)
Result of operating activities	975,229	4,842,847	901,266	2,879,815
Finance costs	(29,848)	(52,964)	-	(137,500)
Finance incomes	249,891	191,009	-	-
Profit before income tax	1,195,272	4,980,892	901,266	2,742,315
Income tax expense	(303,500)	(758,954)	(248,653)	(498,547)
Profit from continuing operation	891,772	4,221,938	652,613	2,243,768
Discontinued operations				
Loss after tax for the year from discontinued operation	(79,724)	-	-	-
Profit for the year	812,048	4,221,938	652,613	2,243,768
Profit attributable to:				
Owners of the parent	792,742	4,209,749	652,613	2,243,768
Non-controlling interests	19,306	12,189	-	-
Total comprehensive income for the year	812,048	4,221,938	652,613	2,243,768
Earnings per share:				
Basic and diluted (kobo)	11	53	8	28

CONSOLIDATED AND SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME

For the Period Ended 31 December 2015

In thousands of Nigerian Naira	GROUP		COMPANY	
	2015	Restated* 2014	2015	2014
Profit for the year	812,048	4,221,938	652,613	2,243,768
Other comprehensive income:				
Items that are or may be reclassified to the profit or loss account:				
Foreign currency translation differences	60,132	119,894	-	-
	60,132	119,894	-	-
Total comprehensive income for the year	872,180	4,341,832	652,613	2,243,768
Total comprehensive income attributable to:				
Owners of the parent	849,458	4,322,918	652,613	2,243,768
Non-controlling interest	22,722	18,914	-	-
Total comprehensive income	872,180	4,341,832	652,613	2,243,768



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUTUAL BENEFITS ASSURANCE PLC

We have audited the accompanying consolidated and separate financial statements of Mutual Benefits Assurance Plc ("the Company") and its subsidiaries (together "the Group"). These financial statements comprise consolidated and separate statements of financial position as at 31 December 2015, and consolidated and separate statements of profit or loss, consolidated and separate statements of other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and explanatory notes.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003, relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria Act No. 6, 2011 and for such internal control as the Directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2015 and of the financial performance and cash flows of the Company and the Group for year then ended in accordance with International Financial Reporting Standards, provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003, relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria Act No. 6, 2011.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, we confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- in our opinion, proper books of account have been kept by the Company, in so far as appears from our examination of those books;
- the Company's consolidated and separate statements of financial position, profit or loss and other comprehensive income are in agreement with the books of account;

Compliance with National Insurance Commission (NAICOM) Guidelines on Insurance Companies and circular BSD/1/2004

- During the year, the Company contravened a section of the NAICOM Guidelines on Insurance Companies.

Kayode Famutimi, FCA,
FRC/2012/ICAN/00000001155



For: Ernst & Young
Lagos, Nigeria

21 April 2016

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