



# Mutual Benefits Assurance Plc.

## SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors present the summary financial statements of Mutual Benefits Assurance Plc. for the year ended 31 December 2016. These summary financial statements are derived from the full financial statements for the year ended 31 December 2016 and are not the full financial statements of the Company. The Company's Independent Auditors issued an unqualified audit opinion on the full financial statements for the year ended 31 December 2016 from which these summary financial statements were derived.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 December	GROUP 31 December		GROUP 31 December	
	2016	2015	2016	2015
<b>ASSETS</b>				
Cash and cash equivalents	10,724,374	14,018,106	3,854,953	4,111,237
Financial assets				
Fair value through profit or loss	68,207	93,483	84,807	83,483
Available-for-sale investment securities	848,374	884,028	21,053	1,000
Loans and receivables	12,410,183	11,790,273	770,841	789,843
Held-to-maturity	8,744,000	-	2,000,000	-
Trade receivables	81,106	115,207	91,188	115,207
Intangible assets	482,610	208,703	302,804	94,789
Other receivables and prepayments	1,871,730	1,414,800	1,057,669	1,274,190
Finance lease receivables	200,243	1,263,748	378,213	770,158
Deferred acquisition costs	300,243	1,044,864	147,865	688,737
Investments	340,338	322,609	235,093	281,788
Investment properties	1,132,264	1,533,564	-	-
Intangible assets	8,726,393	8,711,668	96,900	56,000
Property, plant and equipment	73,321	89,648	23,200	87,303
Investments in subsidiaries	4,034,287	3,880,522	3,762,844	3,937,387
Investments in associates	-	6,116	4,000,000	2,000,000
Shareholdings	500,000	500,000	300,000	300,000
Disposal for investment in equity	4,743	417,887	907,888	2,277,187
Total assets	31,448,413	48,084,842	16,876,992	18,768,728
<b>LIABILITIES</b>				
Insurance contract liabilities	7,401,872	6,087,872	3,822,730	3,971,188
Investment contract liabilities	36,840,271	24,217,881	27,100,000	27,100,000
Trade payables	1,270,210	816,652	482,494	277,748
Other liabilities	1,710,206	1,087,138	307,412	236,580
Current income tax liabilities	200,845	500,867	-	-
Deferred income tax liabilities	983,243	821,385	217,733	217,533
Dividend pay liabilities	8,000,000	4,093,000	4,000,000	4,073,000
Total liabilities	44,833,245	38,449,772	11,708,337	9,997,487
<b>EQUITY</b>				
Share capital	4,000,000	4,000,000	4,000,000	4,000,000
Reserves	2,500,000	2,500,000	2,500,000	2,500,000
Foreign currency translation reserve	2,500,000	2,500,000	2,500,000	2,500,000
Contingency reserve	2,500,000	2,500,000	2,500,000	2,500,000
Retained reserves	1,288,843	1,288,843	1,288,843	1,288,843
Accumulated losses	(1,538,814)	(248,828)	(2,652,263)	(1,006,961)
Total shareholders' fund	4,500,169	7,181,016	4,817,383	8,201,282
Total equity attributable to the owners of the parent	8,899,181	7,518,016	4,817,383	6,201,282
Non-controlling interests in equity	123,887	123,887	123,887	123,887
Total equity	7,012,768	7,448,170	4,817,383	6,201,282
Total liabilities and equity	31,448,413	48,084,842	16,876,992	18,768,728

The full consolidated financial statements were approved by the Board of Directors on 20 March 2017 and were signed on its behalf by:

Dr. Abin Ogunbayi  
Chairman

Mr. Oluwagun Omosho  
Managing Director

Mr. Abayomi Ogunsola  
Chief Finance Officer

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED in thousands of Nigerian Naira	GROUP		GROUP	
	2016	2015	2016	2015
<b>Gross premium written</b>	12,143,610	14,598,070	6,558,640	10,241,501
Gross premium income	11,882,537	13,801,287	6,893,747	10,230,490
Premiums ceded to reinsurers	(1,711,100)	(6,069,826)	(2,518,420)	(5,599,047)
Net premium income	10,171,437	7,731,461	4,375,327	4,631,443
Fair value through profit or loss	492,522	560,394	317,481	520,311
Net underwriting income	10,663,915	8,291,855	4,692,848	5,151,754
Net benefits and claims	3,348,893	3,272,919	1,004,188	1,087,234
Change in risk reserve	(181,932)	(3,273)	-	-
Changes in liability reserve	34,078	30,033	1,091,601	1,287,556
Underwriting expenses	2,971,025	2,912,819	1,005,189	1,094,468
Net underwriting expenses	6,511,992	4,775,311	2,848,689	2,344,319
<b>Underwriting profit</b>	4,151,923	3,516,544	2,872,661	2,563,995
Investment income	819,052	782,150	560,627	729,417
Net fair value gain on assets at FVTPL	968,178	684,296	60,627	729,417
Share of profit of the associate	6,743	25,476	-	(20,399)
Other income	297,446	1,816	80,715	345,201
Impairment charge (no longer required)	6,662	8,473	8,473	8,473
Impairment charge	(158,564)	(158,564)	-	-
Employee benefit expenses	(1,514,808)	(1,514,808)	(833,923)	(788,261)
Other management expenses	(8,044,279)	(2,768,504)	(1,893,740)	(1,700,990)
Net foreign exchange loss	(1,809,120)	(488,110)	(1,923,927)	(1,698,148)
Result of operating activities	(1,190,799)	975,229	(1,348,946)	301,248
Finance costs	(27,681)	(29,881)	-	-
Finance income	154,605	249,891	-	-
Profit before income tax	(1,063,875)	1,695,277	(1,348,946)	301,248
Income tax expense	(272,600)	(287,500)	(141,391)	(248,650)
Profit from continuing operations	(1,346,475)	1,407,777	(1,490,337)	52,598
Discontinued operations	-	-	(79,224)	-
Loss after tax from discontinued operations	-	-	(79,224)	-
Profit for the year	(1,346,475)	1,407,777	(1,569,561)	52,598
Profit attributable to:				
Owners of the parent	(1,350,866)	792,744	(1,300,671)	682,613
Non-controlling interests	4,391	13,033	-	-
Profit after income tax	(1,346,475)	1,407,777	(1,569,561)	52,598
<b>Earnings per share - Continuing operation</b>				
Basic and diluted (kobo)	(17)	10	(12)	8
Loss for the year	(1,346,475)	1,407,777	(1,569,561)	52,598
<b>Other comprehensive income:</b>				
Items that may be reclassified to the profit or loss account in subsequent periods:				
Fair value through profit or loss	722,011	60,132	-	-
Other	738,211	80,132	-	-
<b>Total comprehensive income for the year</b>	824,275	872,190	(1,300,327)	682,613
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	(828,638)	649,458	(1,300,327)	682,613
Non-controlling interests	(883,273)	672,732	(1,300,327)	682,613

Directors' Responsibility for the summary financial statements  
The Directors are responsible for the preparation and fair presentation of these summary financial statements in accordance with International Financial Reporting Standards, the provisions of Companies and Allied Matters Act (CAMA) 2004, the Insurance Act 2003, relevant public regulations issued by the National Insurance Commission (NIC) and the Financial Reporting Council of Nigeria (FRC) and to ensure that the summary financial statements are prepared in accordance with the applicable accounting standards and practices.

Auditor's Responsibility for the summary financial statements  
Our responsibility is to express an opinion on the summary financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA) (Revised), issued by the Institute of Chartered Accountants of Nigeria (ICAN).

Report on Other Legal and Regulatory Requirements  
We have also conducted the information and explanations which are the basis of our knowledge and belief were necessary for the purposes of our audit.

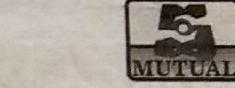
Accountants: PricewaterhouseCoopers  
15th Floor, 200, Broad Street, Lagos, Nigeria  
31 May 2017

### INDEPENDENT AUDITORS'

Dr. Abin Ogunbayi  
Chairman

Mr. Oluwagun Omosho  
Managing Director

Mr. Abayomi Ogunsola  
Chief Finance Officer



# Mutual Benefits Life Assurance Ltd.

## SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors present the summary financial statements of Mutual Benefits Life Assurance Limited for the year ended 31 December 2016. These summary financial statements are derived from the full financial statements for the year ended 31 December 2016 and are not the full financial statements of the Company. The Company's Independent Auditors issued an unqualified audit opinion on the full financial statements for the year ended 31 December 2016 from which these summary financial statements were derived.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 December	GROUP 31 December		GROUP 31 December	
	2016	2015	2016	2015
<b>ASSETS</b>				
Cash and cash equivalents	9,225,420	9,504,860	6,187,695	9,410,404
Financial assets				
Fair value through profit or loss	227,822	693,036	715,472	809,038
Available-for-sale investment securities	11,658,228	11,038,430	11,155,259	11,034,276
Loans and receivables	1,152,213	1,152,213	1,152,213	1,152,213
Held-to-maturity	359,625	143,304	-	-
Trade receivables	815,271	130,415	610,571	183,778
Intangible assets	650,890	848,728	501,008	534,059
Other receivables and prepayments	278,064	376,158	181,850	171,830
Finance lease receivables	195,265	50,811	195,283	66,811
Deferred acquisition costs	1,332,884	1,883,164	1,022,838	1,022,838
Investments	8,670,945	8,670,945	8,670,945	8,670,945
Investment properties	47,228	32,342	3,063	8,891
Intangible assets	89,854	812,186	506,389	333,450
Property, plant and equipment	70,620	140,000	70,620	140,000
Disposal for investment in equity shares	1,543	1,543	-	-
Goodwill	200,000	200,000	200,000	200,000
Shareholdings	38,774,647	34,848,247	34,718,133	32,884,357
Total assets	25,791,141	25,791,141	25,791,141	25,791,141
<b>LIABILITIES</b>				
Insurance contract liabilities	15,798,141	2,116,895	3,210,293	1,844,111
Investment contract liabilities	25,945,211	28,277,881	28,944,127	24,208,510
Trade payables	2,088,625	911,290	171,692	77,180
Other liabilities	2,088,625	1,881,370	1,283,680	1,004,107
Current income tax liabilities	231,818	500,387	2,000,000	-
Dividend pay liabilities	288,110	200,482	215,701	158,103
Deferred tax liabilities	417,232	418,136	68,048	94,280
Total liabilities	22,771,377	23,115,441	26,163,473	26,163,473
<b>EQUITY</b>				
Share capital	250,000	150,000	250,000	150,000
Share premium	1,750,000	1,850,000	1,750,000	1,850,000
Foreign currency translation reserve	968,622	184,481	968,622	184,481
Contingency reserve	353,845	310,120	353,845	310,120
Retained earnings	818,272	818,010	397,441	210,600
Total ordinary shareholders' equity	6,678,418	3,163,613	2,581,908	3,225,996
Total equity attributable to the owners of the parent	8,874,418	4,310,642	4,261,090	3,226,696
Non-controlling interests in equity	123,887	123,887	123,887	123,887
Total equity	7,012,768	7,448,170	4,817,383	6,201,282
Total liabilities and equity	25,791,141	25,791,141	25,791,141	25,791,141

The full consolidated financial statements were approved by the Board of Directors on 20 March 2017 and were signed on its behalf by:

Mr. Fele Awogun  
Managing Director

Mr. Oluwagun Omosho  
Director

Mr. Lateef Amusa  
Chief Finance Officer

### INDEPENDENT AUDITORS'

Dr. Abin Ogunbayi  
Chairman

Mr. Oluwagun Omosho  
Managing Director

Mr. Lateef Amusa  
Chief Finance Officer

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED in thousands of Nigerian Naira	GROUP		GROUP	
	2016	2015	2016	2015
<b>Gross premium written</b>	5,528,764	4,086,566	4,951,645	3,337,711
Gross premium income	5,321,790	3,570,717	4,123,086	2,906,011
Premiums ceded to reinsurers	(190,644)	(6,069,826)	(2,518,420)	(5,599,047)
Net premium income	5,131,146	2,964,891	3,584,666	2,307,064
Fair value through profit or loss	115,684	115,684	115,684	115,684
Net underwriting income	5,246,830	3,486,989	4,000,350	2,422,748
Net benefits and claims	2,344,716	1,250,000	1,809,282	1,091,601
Change in risk reserve	(181,932)	(3,273)	-	-
Changes in liability reserve	34,078	30,033	1,091,601	1,287,556
Underwriting expenses	3,301,025	1,584,152	1,005,189	1,094,468
Net underwriting expenses	3,338,229	2,451,971	3,179,548	2,136,678
<b>Underwriting profit</b>	1,908,601	1,035,018	1,780,801	886,070
Profit (loss) on investment contracts	819,052	782,150	819,052	782,150
Investment income	485,147	128,678	485,147	234,693
Fair value (impairment) on investment properties	(5,774)	181,651	15,778	116,801
Other income	187,827	200,252	40,518	8,798
Impairment charge (no longer required)	30,420	30,420	-	-
Impairment charge	(10,			