EMPOWERMENT
VALUE CREATION
PARTNERSHIP

2021 ANNUAL REPORT AND ACCOUNTS

MUTUAL

Mutual Benefits Assurance Plc.
RC 269837

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VISION

A leading world class company providing superior financial services to the delight of all stakeholders

MISSION STATEMENT

Transcending the expectations of our customers for the satisfaction of their wealth protection needs through the provision of Qualitative Insurance and Risk Management Services thereby creating value for all stakeholders

CORE VALUES

- INTEGRITY
- RESPONSIVENESS
- LEADERSHIP
- KNOWLEDGE
- CONTINUOUS IMPROVEMENT

GUIDING PRINCIPLES

To act with due care and diligence in the pursuit of excellence in an atmosphere of mutual respect and understanding

WHO WE ARE

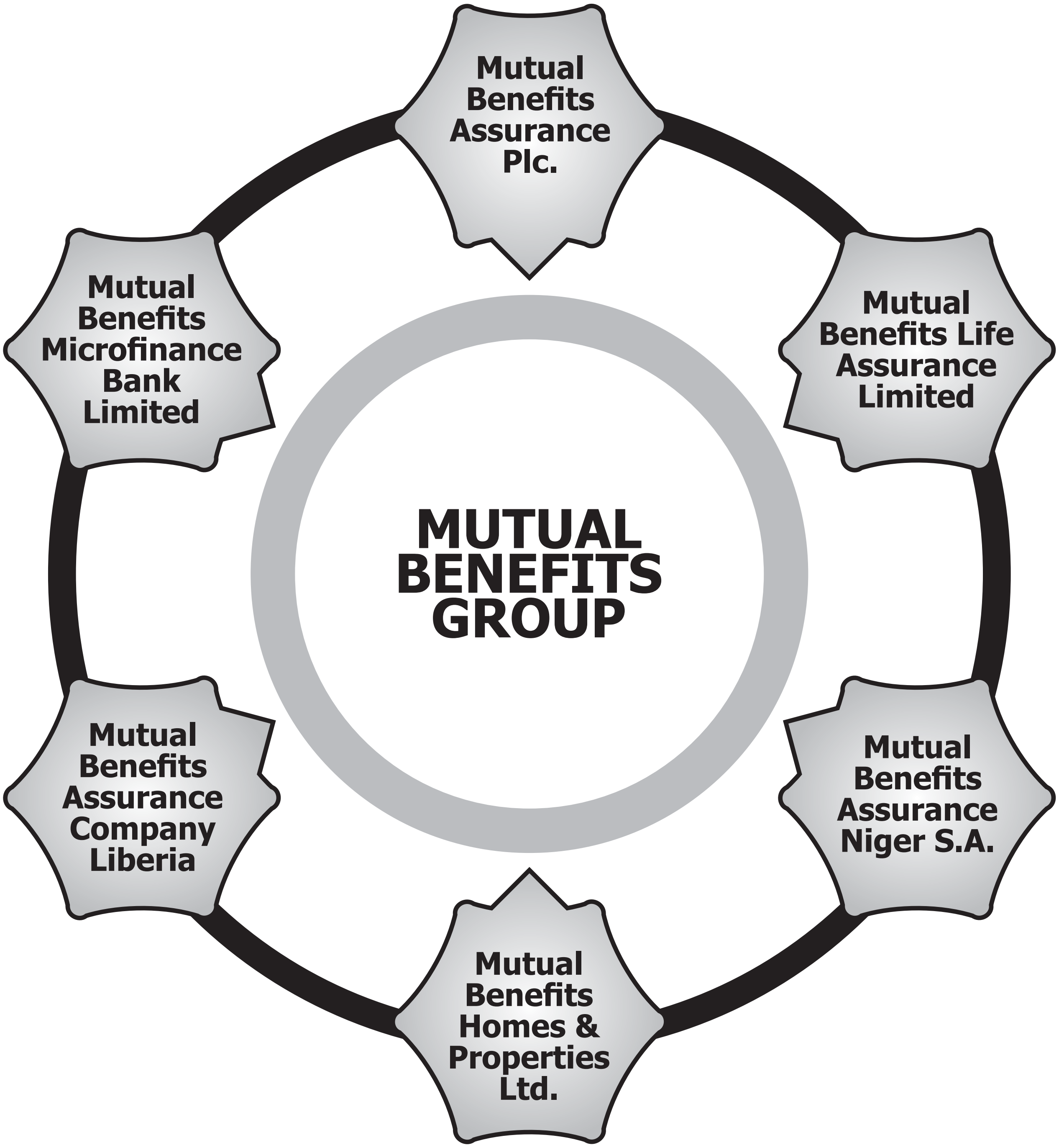
Mutual Benefits Assurance Plc. (MUTUAL), has evolved into a conglomerate consisting of value-adding companies with interests in various sectors of the Nigerian economy through subsidiary relationships, investments, strategic alliances and partnerships. Today, MUTUAL is a leading brand in the Nigerian insurance industry with over 5000 staff and agents.

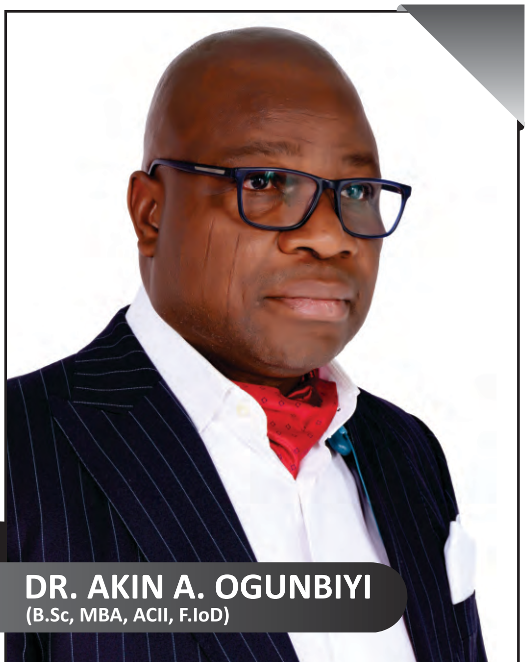
MUTUAL is strong, well-capitalized with a team of highly trained professionals, a respectable Board and access to the international insurance market. We pride ourselves in delivering excellent service to all our stakeholders.

MUTUAL is the flagship of insurance in Liberia and also runs a full-fledged insurance operation in Republic of Niger, where we commenced business in January 2014.

BRIEF HISTORY

MUTUAL BENEFITS ASSURANCE PLC (RC269837)
Incorporated as a Private Limited Company on 18th April 1995
Granted Certificate of Registration as an insurer by the National Insurance Commission on 4th September 1995.
Commenced operations on 2nd October 1995.
Became a Public Limited Liability Company on 24th May 2001.
Listed on the Nigeria Stock Exchange on 28th May 2002.
Authorised share capital N10,050,000,000.00
Paid-up share capital N10,030,811,000.00


Mutual Benefits Assurance Plc.
Mutual Benefits Life Assurance Limited
Mutual Benefits Assurance Niger S.A.
Mutual Benefits Homes & Properties Ltd.
Mutual Benefits Assurance Company Liberia
Mutual Benefits Microfinance Bank Limited
MUTUAL BENEFITS GROUP



DR. AKIN A. OGUNBIYI
(B.Sc, MBA, ACII, F.IoD)

CHAIRMAN

An Economist, Consultant and Insurance Professional, Dr. Ogunbiyi is a graduate of Agricultural Economics from the University of Ife. An alumnus of International Graduate School of Management, University of Navarra (IESE) Barcelona, Spain where he obtained an Executive Master's in Business Administration. He also attended the Lagos Business School and Said Business School of University of Oxford where he attended the Oxford Advanced Management & Leadership Programme. Dr. Akin Ogunbiyi is a fellow of the Institute Directors, Nigeria.

An Associate of the Chartered Insurance Institute, London, he did not only complete his Associateship examination in record time, Dr. Ogunbiyi, has the rare honour of securing the highest number of distinctions in the professional examination in two sittings. He started his insurance career at NICON Plc from where he moved to start the Finance and Insurance Experts Limited - a multi-disciplinary consultancy firm, as pioneer Associate Director/Ag. CEO.

He is the founder and pioneer Managing Director of Mutual Benefits Assurance Plc. He led and transformed the company from its inception in 1995 till July 2016 when he stepped down as the Group Managing Director and became a non-Executive Director and Chairman of the Board.

Dr. Ogunbiyi serves on the board of The Infrastructure Bank Plc, Reals Pharmaceutical Ltd and other companies.

OLUFEMI ASENUGA
(B.Sc, M.SC, ACII)

MANAGING DIRECTOR/CEO

Managing Director/CEO Olufemi Asenuga holds a Master of Science Degree in Business Administration and a bachelor's degree in Insurance from the University of Lagos. He is an Associate of the Chartered Insurance Institute, Nigeria. Femi was the best graduating student in the finals of the B.Sc. Honours Insurance Examination. He won the Femi Johnson & Co. prize as well as the Unity Life & Fire Insurance Company award for being the best overall graduating student in the department of Insurance for 1989/1990 session.

Mr. Asenuga started his insurance career with Metropolitan Trust Insurance Company in 1993. He joined Custodian and Allied Insurance in 1995 as a pioneer staff and Assistant Manager in the Technical Department. He joined Mutual Benefits Assurance Plc in 1997 as a Deputy Manager in the Technical Department. He rose through the ranks and was seconded to the Life subsidiary in 2007 as the pioneer Managing Director a position he held until his appointment as Managing Director of the Company in December 2019.

MR. BIYI ASHIRU-MOBOLAJI
(HND INS. MBA, ACII)

EXECUTIVE DIRECTOR, OPERATIONS

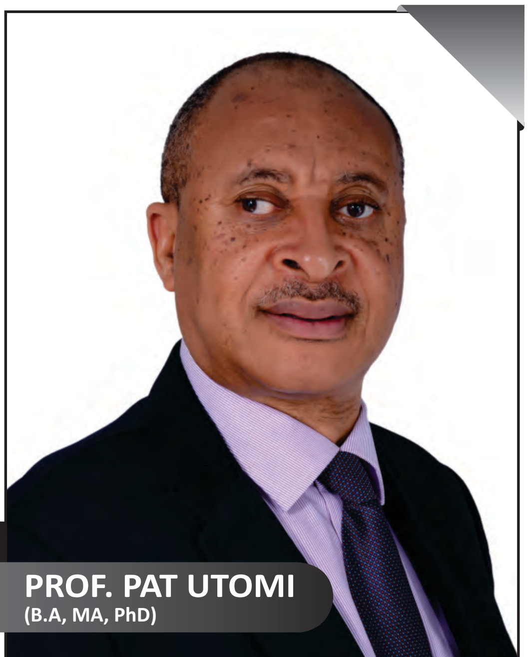
Mr. Ashiru-Mobolaji oversees the Technical and Marketing & Distribution Channels of the Company. He is an insurance graduate of Ibadan Polytechnic with an MBA from Lagos State University. He is an Associate Member of the Chartered Insurance Institute of Nigeria as well as an Alumnus of the Lagos Business School.

Mr. Ashiru-Mobolaji started his insurance career with a stint at Femi Johnson Insurance Brokers at the Executive Support Service Department. Thereafter, he proceeded to Great Nigeria Insurance Company Ltd. He also worked at Databoard Nigeria Limited, a company that pioneered On-line Insurance Service in Nigeria.

An astute goal getter and a dynamic insurance practitioner, Mr. Ashiru- Mobolaji joined Mutual Benefits Assurance Plc in 1998 and rose through the ranks.

In 2007, he became Senior Manager, Micro Insurance, after a comprehensive training with International Cooperative and Mutual Insurance Federation (ICMIF) in Manchester, UK. In 2009, he was seconded to Cameroun as GM/CEO of the Cameroun subsidiary of MUTUAL; Assurances Generales du Cameroun.

On his return to Nigeria in 2012, Mr. Ashiru-Mobolaji became the Head, Technical Operations. In 2013 he became Deputy General Manager, Business Development in 2016, He was General Manager; Marketing and Distribution until he was appointed as Executive Director, Operations in 2019.



PROF. PAT UTOMI
(B.A, MA, PhD)

DIRECTOR

A fellow of the Institute of Management Consultants of Nigeria and founding Senior Faculty of the Lagos Business School- Pan African University, he was Director of the Centre for Applied Economics at the Lagos Business School. He has served in senior positions in government, as an adviser to the President of Nigeria, the private sector, as Chief Operating Officer for Volkswagen of Nigeria and in academia. He is the author of several Management and Public Policy books. His academic background range from Policy Economics, Business, Political Science to Mass Communications. As an entrepreneur, he founded and co-founded companies that are active in fields including financial services, ICT, and media.

A Professor of Social, Political and Economic Environment of Business and Entrepreneurship. He has been a scholar-in-residence at the American University in Washington DC and the Havard Business School.

As leader of Civil Society, he is the founder of the Centre for Values in Leadership, and the Concerned Professionals, among other social sector initiatives.

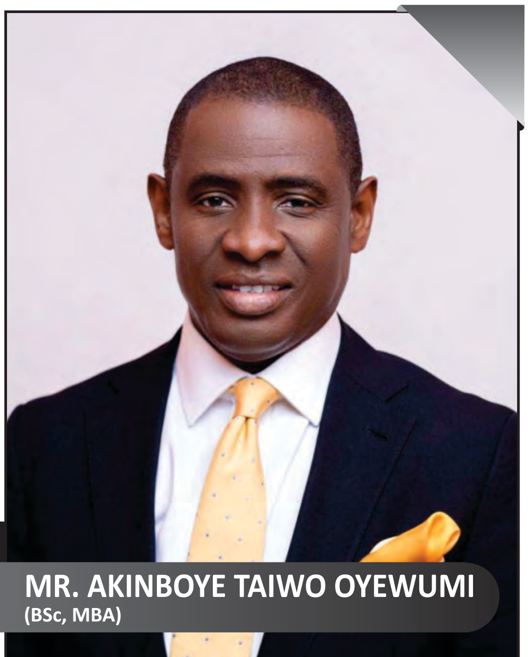
MR. SOYE OLATUNJI
(MBA, B.Sc, ACA)

DIRECTOR

Mr. Soye Olatunji, a Chartered Accountant with a bachelor's degree in Chemical Engineering from University of Benin and an MBA from University of Lagos. He has over 30 years cumulative experience in audit and tax consultancy, accounting and general management.

He was erstwhile General Manager - Best Oils Limited Ibadan, Oyo State and Finance Director - Vitamalt Plc, Agbara Industrial Estate, Ogun State. He joined Ventures & Trust Limited (V&T) as Managing Associate and Chief Financial Officer in 2003.

He joined Mutual Benefits Group in 2007 as Executive Director Corporate Planning and Investment from where he left as Group Finance Director, to establish Mutual Exploration and Production Limited, in 2013. He is an alumnus of Said Business School of University of Oxford where he attended the Oxford Advanced Management & Leadership Programme.



MR. AKINBOYE TAIWO OYEWUMI
(BSc, MBA)

DIRECTOR

Mr. Oyewumi, is the Group Managing Director of Silverage Group. The Company is made up of a network of diverse businesses including Information Technology and Finance.

Mr. Oyewumi holds a BA in Business Administration from University of Maiduguri, Borno State, Nigeria, as well as an MBA from Middlesex University, London, United Kingdom.

In recognition of his business acumen and ability to attract investments, he was appointed as the Pioneer CEO/Vice Chairman of the Board of Ondo State Development & Investment Promotion Agency (ONDIPA) during his tenor he speeheaded the construction of a deep sea port in Ondo State, revived the BEECM the bitmum exploration agency of the state and rescued the Okitipupa Oil Palm Plc.

MS. KADARIA AHMED
(B.A, M.A,)

DIRECTOR

Ms. Ahmed holds a bachelor's degree in Communications from Bayero University, Kano and a master's degree in Television from Goldsmiths' College, University of London.

She is a seasoned professional media executive and strategic Communications consultant to NGOs, public and private sector boards. She is a member of the Nigerian Guild of Editors and a British Council Chevening Scholar.

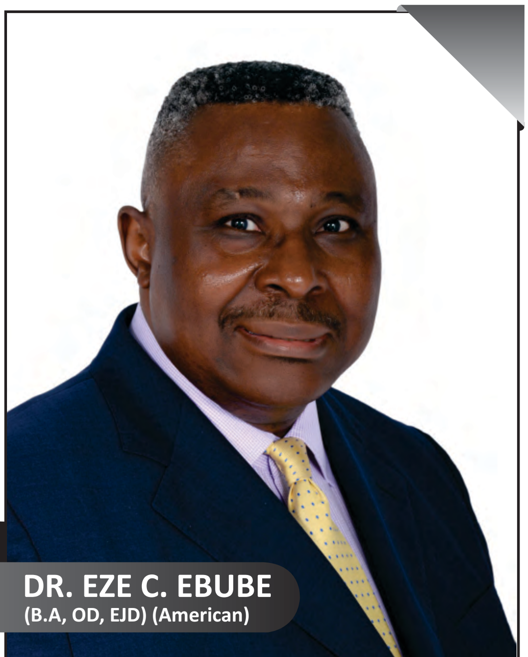
Ms. Ahmed was a Senior Producer, Journalist and Acting Editor with the British Broadcasting Corporation.

She was Co-founder and Media Consultant for Blue Communications EMEA, from 2003 to 2006. Between 2006 and 2008, Ms. Ahmed worked with Shoreline Energy International as Head, Corporate Communications and Resort Group Limited, as Group Head, Corporate Communications.

Ms. Ahmed was Editor, Timbuktu Media; Publishers of Next Newspaper; Nigeria's leading investigative Newspaper, for which she won many awards.

Between 2011 and 2016, Ms. Ahmed worked with Africa Practice R & B and Reinvent Media Ltd. as Associate Director and Partner respectively, She is currently the Managing Director of Daria Media Ltd. She is passionate about development and nation building.

Ms. Ahmed is an articulate panel discussion moderation, television host and opinion contributor with a strong grasp of current affairs including local and international politics, the economy, the arts and entertainment



DR. EZE C. EBUBE
(B.A, OD, EJD) (American)

DIRECTOR

Dr. Ebube graduated with a B.A. (Microbiology) from Indiana University, Bloomington, Indiana, USA in 1982. In 1986, he obtained a Doctorate degree in Optometry from Inter American University, San Juan, Puerto Rico, U.S.A. and in 2007 he graduated from Concord University School of Law, Los Angeles, California, U.S.A. with the Executive Juris Doctor degree.

Dr. Ebube is an Optometrist and an active member of the Puerto Rico Optometry Association where he served as the Chairperson of its Political Action Committee. He is co-chair of FUTeLIV KONSULT, President and CEO of Eye Express 20-20, San Juan, Puerto Rico, USA.

Dr. Ebube worked with the Augustus Group, an Insurance Partnership based in Troy, Michigan, U.S.A. as Vice-President and he is presently the Managing Partner for Africa in Legacy Group, an international consulting and business development group in Virginia, U.S.A.

ABIDEMI SONOIKI
(M.Sc, ACIB, FCIA)

DIRECTOR

Mr. Sonoiki is a graduate of Accounting and has two Master's degree to his name. He is also currently pursuing a PhD at Portsmouth University, England.

Mr Sonoiki is an astute banker with two decades' experience in Banking operations, Treasury (foreign and local) and Marketing, having worked at various times at Sterling Capital, Marina International Bank Limited, First City Monument Bank Plc and Heritage Banking Company Limited.
He is a Fellow of the Institute of Credit Administration and the Institute of Credit and Collection Management, an Associate Member of the Chartered Institute of Bankers of Nigeria and Scotland and the Nigeria Institute of Management.

He has attended courses within and outside Nigeria including the Lagos Business School; Goldman Sachs, London; Bangor Business School, England, and Harvard Business School.

He is currently the Chief Executive Officer of Noik Energy Limited.

MRS. TEMILADE DUROJAIYE
(HND, FCA, ACITN)

DIRECTOR

Mrs. Temilade Durojaiye is a Fellow of the Institute of Chartered Accountants of Nigeria, Associate of the Chartered Institute of Taxation Nigeria and holds a Higher National Diploma in Accountancy from Yaba College of Technology.

She started her career as an Audit Officer with the Nigeria Postal Service in 1990 before joining United Bank for Africa Plc (UBA) in 2004. At UBA she worked as Sub Manager in the Cost Management Unit, Financial Analyst and Head Fixed Asset Management Unit before resigning in 2006 to pursue other interests.

She joins the Board as a director representing minority interests. She is no stranger to the boardroom and analysis of financial statements having served as the Chairperson of the company's Statutory Audit Committee since 2012and Committee member of other quoted companies such as Tourist Company of Nigeria, Kajola Integrated Investment, OandO Plc, and Polaris Bank Plc.

She's an active member of the Independent Shareholders Association, serving as Head, Research Desk and Treasurer. Mrs Durojaiye has attended several trainings and seminars on Financial Statement Analysis, Analysis & Interpretation of Financial Statements, Audit Committee & Corporate Governance, and IFRS Module 1 and 11 certifications.

She was appointed a Non-Executive Director in April 2022.

OLUFEMI ASENUGA
(B.Sc, M.Sc, ACII)
MANAGING DIRECTOR / CEO

BIYI ASHIRU-MOBOLAJI
(HND INS., MBA, ACII, MIoD)
EXECUTIVE DIRECTOR, OPERATIONS

ABAYOMI OGUNWO
(B.Sc, MBA, FCA, ACIT)
GENERAL MANAGER, FINANCE & ACCOUNTS

JIDE IBITAYO
(BL, LLM, FCIS, ACIT)
GENERAL MANAGER, LEGAL / COMPANY SECRETARY

JOSEPH OLADOKUN
(MBA, ACII, ANIM)
GENERAL MANAGER, TECHNICAL

ABIKE WESEY
(MCIPM, MCIPD, CPHR)
GENERAL MANAGER, HR & ADMIN

LANRE HASSAN
(HND, MMP, MBA, ACII)
DEPUTY GENERAL MANAGER, CORPORATE MARKETING

TITI AKINSIKU
(MBA, ACII)
ASSISTANT GENERAL MANAGER, TECHNICAL

EMMANUEL ORMANE
(M.Sc, ACA)
ASSISTANT GENERAL MANAGER, ERM

GABRIEL GBADEBO
(B.A, ACII)
ASSISTANT GENERAL MANAGER, TECHNICAL, MUTUAL LIFE

OLAJUMOKE AKINNAWO
(B.SC, ACCA)
ASSISTANT GENERAL MANAGER,
FINANCE AND ACCOUNTS, MUTUAL LIFE

FOLASADE OKE
(HND, ACII)
ASSISTANT GENERAL MANAGER, LAGOS BUSINESS DISTRICT

OLUYINKA AKINWALE
(HND, MBA, ACII)
CONTROLLER, REINSURANCE & SURVEY

OSEAFIANA JUDE
(HND, MCA, ACII)
CONTROLLER, CORPORATE MARKETING

TUNDE OGUNTADE
(HND, MBA, ACIPM)
CONTROLLER, PROJECT MANAGEMENT

OKECHUKWU IGBOJEKWE
(HND, ACA)
CONTROLLER, INTERNAL AUDIT & CONTROL, MUTUAL LIFE

OLUBUNMI ADIO
(MBA, AMNIM)
CONTROLLER, CORPORATE MARKETING

OLUFEMI OLADIMEJI
(HND)
CONTROLLER, RETAIL OPERATIONS

OLUFUNTO IPAYE
(B.Sc, ACII)
CONTROLLER, CORPORATE MARKETING

ADEKUNLE FOWOKAN
(HND, MBA, ACIIN)
CONTROLLER, CORPORATE MARKETING

AFAM EMODI
(HND)
CONTROLLER, CORPORATE MARKETING, MUTUAL LIFE

BAMIDELE TIJANI
(B.Tech, MBA, ACIIN)
CONTROLLER, CORPORATE MARKETING, MUTUAL LIFE

AYOBOLA ORIJA
(B.Sc, MBA)
CONTROLLER, CORPORATE MARKETING, MUTUAL LIFE

JOACHIM VICTOR
(B.Sc, MBA)
CONTROLLER, NORTHERN REGION,
MUTUAL LIFE

EDWIN ALOHAN
(B.Sc, MBA, ACIPM, ANIM)
CONTROLLER, ADMIN

Notice is hereby given that the 26th Annual General Meeting of Mutual Benefits Assurance Plc will be held at Radisson Hotel, Isaac John Street GRA Ikeja, Lagos on Wednesday 26th October 2022 at 10.00am to transact the following business:

ORDINARY BUSINESS

1. To lay before the Members, the Audited Financial Statements of the Company for the year ended 31st December 2021 together with the Reports of Directors, Auditors and Statutory Audit Committee thereon.
2. To re-elect the following Directors retiring by rotation and being eligible have offered themselves for re-election
   i. Dr Akin Ogunbiyi
   ii. Dr Eze Ebube
   iii. Mr Soye Olatunji
4. To authorise the Directors to fix the remuneration of the Auditors
5. To disclose the remuneration of the Managers
6. To elect shareholders' representatives of the Statutory Audit Committee.

SPECIAL BUSINESS

7. To approve the remuneration of Directors
8. To consider and if thought fit pass with or without modification the following as special resolutions:

AMENDMENT OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

A. That the Members hereby authorize that the following clauses be included and/or amended in the Memorandum of Association of the Company as stated below:
   i. That the Directors be and are hereby authorised to take steps to comply with the requirements of Section 124 of the Companies and Allied Matters Act 2020, and Regulation 13 of Companies Regulation 2021, as it relates to unissued shares of the Company, by effecting the cancellation of all the unissued shares of the Company.
   ii. That the Company's unissued 38,378,000 units of ordinary shares of N0.50k each amounting to N19, 189, 000 be and are hereby cancelled, thus bringing the issued share capital of the Company to be N10,030, 811, 000 divided into 20, 061, 622, 000 shares of 50kobo each.
   iii. That Clause 4 of the Memorandum of Association is deleted, and a new Clause 4 is inserted as "The Issued Share Capital of the Company is N10,030,811,000 divided into 20,061,622,000 Ordinary Shares of 50 kobo each"
   iv. That the members hereby authorize that Clause 3 of the Memorandum of Association be and is hereby amended by deleting the following sub clauses g, (gi-gxvii), h, I, j, l, m, n, o, p, q, r s, t, u, v, w, x, y, z, aa, bb, cc, dd,, ff, gg, hh, ii, jj, kk, ll, qq, rr, ss, uu, vv, ww, xx, yy, aaa, bbb, ddd, eee, fff, hhh, iii, nnn, , uuu, vvv.
   v. That the members hereby authorize that the following sub-clause be included as the concluding sub-clause of Clause 3 in the Memorandum of Association of the Company, in accordance with Section 28 of Companies and Allied Matters Act 2020 and the Seventeenth Schedule of Companies Regulations 2021:

AND IT IS HEREBY DECLARED THAT:

The objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except the contrary is expressly stated) by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and as ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects clause of a separate and distinct Company.

B. That the Members hereby authorize that the Articles of Association of the Company be amended as follows:
   vi. That Article 5 be deleted, and a new Article 5 be inserted as "The Issued Share Capital of the Company is N10,030,811,000 divided into 20,061,622,000 Ordinary Shares of 50 kobo each.
   vii. That a new clause 46 be included in the Articles of Association as follows;
   "The Notice, Annual Reports and Accounts and /or other Reports, documents and information relating to any business to be transacted at any General Meeting of the Company may be distributed or circulated electronically to members and persons entitled to receive them and have provided the Company with an electronic mail address in lieu of surface mail delivery"
   viii. That the present Article 66 be deleted and a new Article 66 be inserted as " The number of the Directors of the Company shall not be less than seven and shall not exceed fifteen"
   ix. That any two directors of the Company or a Director and the Company Secretary (each an "Authorised Person") be and are hereby authorised severally and jointly to; finalise, sign, issue, execute and/or deliver these resolutions in accordance with applicable laws and with such additions, modifications, variations or alterations as such Authorised Person may deem fit and seek all requisite approvals and regulatory filings and take all necessary and further steps to give effect to all the resolutions.

NOTES

1. Compliance with COVID-19 Related Directives and Guidelines

In view of the COVID-19 pandemic, the curtailment measures and the guidelines put in place by the Federal Government, Lagos State Government, Health Authorities and Regulatory Agencies, particularly, the Corporate Affairs Commission (CAC) issued Guidelines on Holding AGM of Public Companies by Proxy. The convening and conduct of the AGM shall be done in compliance with these directives and guideline.

2. Proxy

A member entitled to attend and vote at the Annual General Meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need to be a member of the Company. To be valid, a proxy form must be completed and duly stamped by the Commissioner of Stamp Duties and returned to the Registrar, Apel Capital Registrars Limited, 8, Alhaji Bashorun Street Off Norman Williams Crescent South West Ikoyi Lagos or by mail to registrars@apel.ng not less than 48 hours before the time of the meeting.

3. Attendance by Proxy

In line with CAC Guidelines, attendance of the AGM shall be by proxy only. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:

Dr. Akin Ogunbiyi	Chairman, Board of Directors
Mr. Olufemi Asenuga	Managing Director/CEO
Mr. Biyi Ashiru –Mobolaji	Executive Director
Mr Eric Akinduro	Shareholder
Dr Anthony Omojola	Shareholder
Mrs Bisi Bakare	Shareholder
Mrs Efunyemi Obideyi	Shareholder
Mr. Moses Igbrude	Shareholder

4. Stamping of Proxy

The Company has made arrangement, at its cost, for the stamping of the duly completed and signed proxy forms submitted to the Company's Registrars within the stipulated time.

5. Broadcast of the AGM

The AGM will be streamed live. This will enable shareholders and other stakeholders who will not be attending physically to view the proceedings. The link for the AGM broadcast will be made available on the Company's website at www.mutualng.com

6. Closure of Register of Members

The Register of Members will be closed from 17th – 21st October, 2022 (both dates inclusive) to enable the Registrar prepare for the Annual General Meeting.

7. Biographical details of Director for Election/Re-election

Biographic details of the Directors seeking election/re-election are provided in the Annual Report.

8. Questions from Shareholders

Shareholders and other holders of the Company's securities reserve the right to ask questions not only at the meeting, but also in writing prior to and after the meeting on any item contained in the Annual Report & Accounts. Please send all questions to investorerelations@mutualng.com

9. Statutory Audit Committee

In accordance with Section 404 (6) of the Companies and Allied Matters Act 2020, any shareholder may nominate another shareholder for election as a member of the Audit Committee by giving notice writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

10. E-Dividend

Pursuant to the directive of the Securities and Exchange Commission, notice is hereby given to shareholders to provide/update their bank account details for the purpose of e-dividend/bonus. A form is included in this Annual Report & Accounts for completion by all shareholders to furnish the particulars of their accounts to the Registrar, Apel Capital Registrars Limited, 8, Alhaji Bashorun Street Off Norman Williams Crescent South West Ikoyi Lagos or email registrars@apel.ng

11. Website

A copy of this Notice and other information relating to the Annual General Meeting can be found on our website www.mutualng.com

By Order of the Board

JIDE IBITAYO
Company Secretary
FRC/2013/NBA/000003123
Dated the 26th Day of September 2022

DIRECTORS	Dr. Akin Ogunbiyi - Chairman Mr. Olufemi Asenuga - Managing Director/CEO Mr. Adebiyi Ashiru-Mobolaji - Executive Director, Operations Mr. Adesoye Olatunji - Non-Executive Director Dr. Eze Ebube - Non-Executive Director (American) Prof. Patrick Utomi - Non-Executive Director Mr. Akinboye Oyewumi - Non-Executive Director Ms. Kadaria Ahmed - Non-Executive Director (Independent) Mr. Abidemi Sonoiki - Non-Executive Director (Independent)(Appointed w.e.f. 01/01/2021) Mr. Lamis Sheu Dikko - Non-Executive Director (Independent) (Resigned w.e.f. 28/07/2021) Mrs Temilade Durojaiye - Non-Executive Director (Appointed w.e.f. 28/04/2021)
REGISTERED OFFICE	Aret Adams House, 233 Ikorodu Road, Ilupeju, Lagos.
AUDITOR	Ernst & Young UBA House, 10th and 13th Floors 57 Marina, Lagos
COMPANY SECRETARY	Jide Ibitayo FRC/2013/NBA/00000003123
BANKERS	Access Bank Plc Fidelity Bank Plc First City Monument Bank Plc First Bank of Nigeria Limited Guaranty Trust Bank Limited Keystone Bank Limited Sterling Bank Plc Zenith Bank Plc Mutual Benefits Microfinance Bank Limited Ecobank Nigeria Limited Stanbic IBTC Bank Nigeria Plc Unity Bank Plc Wema Bank Plc United Bank for Africa Plc Heritage Bank Limited Polaris Bank Limited
RE-INSURERS	African Reinsurance Corporation Continental Reinsurance Plc FBS Reinsurance Plc WAICA Reinsurance Corporation Plc Aveni Reinsurance Limited Nigerian Reinsurance Corporation
ACTUARIES	Zamara Consulting Actuaries Nigeria Limited FRC/2017/NAS/00000016912
REGISTRAR	Apel Capital Registrars Ltd. FRC/0000/00000014019
ESTATE SURVEYORS AND VALUERS	Alabi, Ojo & Makinde Consulting FRC/2012/NIESV/000000314 Arigbede & Co Estate Surveyors and Valuers FRC/2014/NIESV/00000004634
RC NO	269837

DR. AKIN A. OGUNBIYI
CHAIRMAN

> "The Group recorded an impressive 47% growth in Gross Premium Written (GPW) from N20b in 2020 to N29.3b in 2021."

Distinguished shareholders, my fellow directors, representatives of regulatory authorities, and gentlemen of the press you are welcome to the 26th Annual General Meeting of Mutual Benefits Assurance Plc.

2021 offered us some respite from the scourge of the COVID-19 pandemic but it wasn't without some scare of the return to full blown lockdowns across the globe. The pandemic left in its trail dire economic consequences without territorial limits, chief of which are inflation, supply chain disruptions and food scarcity.

OPERATING ENVIRONMENT

With continued COVID-19 restrictions and inflation, operating conditions remained difficult in 2021. The positive performance from our core underwriting business and uninterrupted operations is a testament of reality of our vision "to be a leading world class company providing superior financial services to the delight of all stakeholders" and the professionalism, flexibility, and diligence of our staff. I use this opportunity to thank every member of our team for their commitment and resilience in 2021 despite the tough challenges.

In Nigeria, the four waves of the COVID-19 pandemic were accompanied by heightened insecurity across the country. The effect was rising debt to GDP ratio as well as the debt servicing to revenue ratio, rising double-digit inflation leading to shrinking disposable income and increase in exchange rate of the local currency to other foreign currencies (naira devaluation). The country has fully reopened, economic recovery is improving but remains very slow. Nigeria's economy grew by 3.6% in 2021 from a 1.8% contraction in 2020, the growth was driven by 4.4% expansion in the non-oil sector against 8.3% contraction in the oil sector; non-oil growth was driven by agriculture and services by 2.1% and 5.6% respectively. Nigeria's Gross Domestic Product (GDP) grew by 3.98% (year-on-year) in real terms in the fourth quarter of 2021.

Nigeria's total public debt rose by 20.2 percent to N39. 56 trillion ($95.77 billion) as at December 31, 2021, up from N32. 92 trillion ($86.392 billion) in 2020. Inflation was fueled by rise in food prices. Annual average inflation was 17.0% in 2021 against 13.2% the previous year and above the central bank of Nigeria's (CBN) 6–9% target. The CBN retained the monetary policy rate (MPR) at 11.5% and held liquidity ratio and all other parameters constant to support economic recovery.

At the beginning of 2020, Nigeria's daily production of oil exceeded 2 million barrels per day, but production decreased to some 1.6 million barrels per day in 2021, the lowest value recorded since 1998. This production level resulted in Nigeria's inability to meet its crude oil production allocation of 2.2million barrels per day by the Organization of Petroleum Exporting Countries (OPEC), while the importation of refined petroleum products continued to increase. Unfortunately, crude oil theft, which initially reduced from about 71,000 barrels per day in 2012 to 21,000 barrels per day in 2016, has consistently increased to an average of 103,000 barrels per day in 2021 - this amounts to a loss in Government revenue. This theft trend poses an existential threat to the oil and gas sector and by extension, the Nigerian economy if not controlled.

The All-Share Index of the Nigeria Stock Exchange (NSE) closed the year with 42,716 points as against 40,270 points that was reported in 2020, representing 6.1% increase year-on-year, while the Consumer Price Index (CPI) that measures inflation decreased by 0.13 percentage point to 15.63% by the end of year 2021. Exchange rate gradually depreciated from ₦396.71/US$ at the beginning of the year to ₦411.94/US$ by December 31 of 2021. This resulted into an average exchange rate of ₦403.58/US$ in 2021 from an average rate of ₦380.26/US$ in 2020 (i.e., 6% average increase). Despite the depreciation of the Naira, Nigeria's external reserve increased to $40.5b in 2021 from $35.6b in 2020 on the back of favourable crude oil price (average of $70.12 per barrel as against $41.89 in 2020) and improved non-oil exports.

At the time of writing, Russia has invaded Ukraine triggering a war in Europe for the first time in more than 75 years. The implication of this war is an outsized impact on the global supply chain, impeding the flow of goods, fueling inflation and product shortages, and creating catastrophic food shortages around the world. The direct impact of this war on Mutual Benefits Assurance Plc. is limited. We do not have business presence in Russia or Ukraine and neither of our business entities in Liberia or Niger has a material exposure in Russia nor Ukraine.

FINANCIAL PERFORMANCE

The negative impact of the economic variables on the investment markets which directly affected our fair valued financial instruments through profit or loss had overshadowed the positive financial performance/underwriting profit. Despite this challenge, the Group's balance sheet remains robust, with total assets of N83.8b, an increase in insurance contract liabilities by 34% from N17.6b in 2020 to N23.5b in 2021, and a marginal increase of 6% in investment policies from N28.4b in 2020 to N30.2bn in 2021. We also increased our share capital by 80% from N5.6b in 2020 to N10b in 2021.

The Group recorded an impressive 47% growth in Gross Premium Written (GPW) from N20b in 2020 to N29.3b in 2021. The performance was largely driven by a 52% growth in GPW in our non-life insurance business, from N11.3b in 2020 to N17.3b in 2021. The Group also recorded a 40% increase in Net Premium Income from N16.1b in 2020 to N22.5b in 2021. An adverse claims experience and underwriting expenses resulted in their increases of 35% and 31% respectively. Net benefits and claims increased from N8b in 2020 to N10.8b in 2021, while underwriting expenses increased from N4.9b in 2020 to N6.4b in 2021. Despite these increases in claims and underwriting expenses, the group recorded an increase of 38% in the underwriting profit of N5b in 2021 as against N3.7b in 2020.

BOARD DEVELOPMENTS

Man proposes but God disposes they say, to strengthen the Board, increase gender diversity, and represent the interest of minority shareholders, the Board had appointed a shareholder known to us all - Mrs Temilade Durojaiye - as a director. But the cold hands of death snatched her away from us on 17th August 2022. We continue to pray for the repose of her soul and pray God to be with the family as they pass through these trying times of grief.

The following directors are retiring at this meeting and being eligible offer themselves for re-election; Dr Akin Ogunbiyi, Dr Eze Ebube, and Mr Soye Olatunji.

The profile of the directors for re-election are before you.

OUTLOOK FOR 2022

Year 2021 was quite challenging, but I have confidence in our plans to grow the business and I am delighted to share with you that our people across the group share an ambition to grow the business further. This is evident by our H1 2022 impressive performance which has been released to the public.

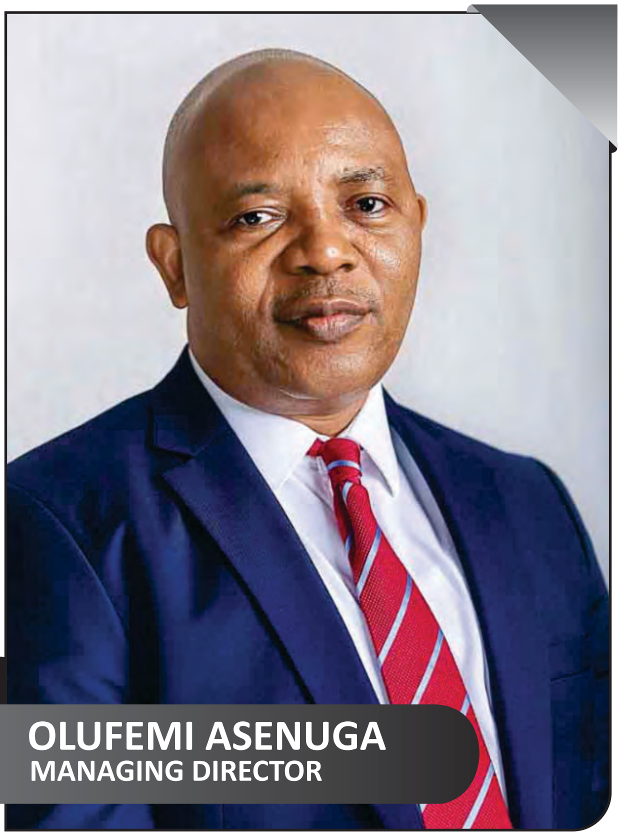
At the domestic scene, as the nation prepares for the general elections in 2023, the electioneering activities will be at fever pitch, politicians will be busy with preparations for elections and take their eyes off governance and the economy. Marginal GDP growth of 3.4% is predicted by the IMF for 2022 but it remains to be seen how the growth will be achieved with oil theft, banditry, and general security threats all over the country.

The Ukraine/Russian war in Europe has created global energy and food crises. Inflation rates in Europe and the developed world have reached levels unprecedented in decades with the crises showing no sign of abating. The rise in crude oil price will be positive for Nigeria if crude oil theft is reduced and production is increased.

Finally, on behalf of the Board of Directors, I say thank you to all our stakeholders for your support to the company and all its subsidiaries.

Thank you.

Dr. Akin Ogunbiyi
Chairman



OLUFEMI ASENUGA
MANAGING DIRECTOR

FROM THE EXECUTIVE SUITE

Dear Esteemed Shareholders,
The year 2021 was quite challenging across the globe, Nigeria inclusive. Since the debut of COVID-19 in Nigeria in the first quarter of 2020, what has followed were lockdowns, deepest recessions since the 1980s, and in the last stage of the pandemic (i.e., 2020 Q4), as economic activities began to return to normal, inflation rate started to accelerate.

Nigeria's Gross Domestic Product (GDP) grew by 3.98% (year-on-year) in the fourth quarter of 2021, this was the fifth quarter of sustained growth since the recession of 2020 when output contracted by -6.10% and -3.62% in Q2 and Q3 of 2020 respectively.

The debilitating effect of the pandemic was exacerbated by the #ENDSARS protests in the last quarter of 2020, resulting in rise in insurance claims/benefits and underwriting expense in 2021.

REGULATORY ENVIRONMENT
Further to the earlier recapitalization directive (in 2019) by the industry regulator, National Insurance Commission (NAICOM), to increase the minimum paid up capital for life, non-life, composite, and reinsurance businesses to N8bn, N10bn, 18bn and N20bn respectively. The recapitalization exercise of the Company was boosted in December 2020 with the injection of N4.8 billion ahead of the June 2021 deadline set by NAICOM

Though earlier in the year (i.e., 2021), the Commission (NAICOM) extended the deadline for the recapitalization exercise because of both or either of two reasons:

i. the Nigerian Insurers Association (NIA) made a formal appeal to the House Committee on Insurance and Actuarial matters for a waiver of the 50% and 60% capital requirements for insurance and reinsurance companies respectively by December 31, 2020 when every effort to engage the regulator failed. Following this appeal, the House passed a resolution that the recapitalization exercise should be suspended for a minimum of six months with effect from January 2021.

ii. a court injunction was obtained by some Shareholders' Associations restraining NAICOM from continuing with the exercise.

The Commission has however remained silent on the two issues.

NAICOM issued a revised Market Conduct and Business Practice Guidelines for Insurance Institutions on 18 October 2021, this is an effort on the part of the Commission to ensure that insurance institutions conduct themselves in a professional manner in line with international best practices. The guideline outlines minimum standards required from insurance institutions in their dealings with Policyholders, Shareholders, and other Stakeholders. It also promotes greater fairness and transparency between policyholders and insurance institutions, and lots more.

NAICOM also released Corporate Governance Guidelines for Insurance and Reinsurance Companies in Nigeria – 2021 (the Governance Guidelines) to assist in the sectoral implementation of the Nigeria Code of Corporate Governance (NCCG) – 2018.

The objectives of the Governance Guidelines are to provide sufficient and up to date guidance to boards, directors, secretaries, advisers, shareholders, and other stakeholders in the insurance industry in Nigeria, on the most relevant, and applicable principles and standards of good corporate governance.

GENERAL BUSINESS
The Group's non-life business recorded a growth of 52% in Gross Premium Written (GPW) from N11.3bn in 2020 to N17.3bn in 2021. This performance was significantly driven by a 50% increase in business written by the Company. The lines of business which accounted for the largest share of increase were bond, marine and general accident which constituted 201%, 77% and 53% respectively. The significant growth in GPW resulted into a 54% increase in Net Premium Income from N8.3bn in 2020 to N12.7bn in 2021.

Net Benefits and Claims increased by 31% from N4.1bn in 2020 to N5.4bn in 2021. This is attributable to significant increase in claims experienced majorly from marine and motor insurance.

Despite the increase in claims in 2021 compared to 2020, underwriting profit recorded an 89% increase from N1.7bn in 2020 to N3.3bn in 2021.

LIFE BUSINESS
Our Life business recorded 39% growth in Gross Premium Written (GPW) from N8.6bn in 2020 to N12bn in 2021. Seventy-five percent (75%) of the life business portfolio comprise of group life business while 25% are individual life policies. Group life and individual life businesses recorded growth of 47% and 21% respectively in GPW.

Gross premium income increased by 19% from N8.8bn in 2021 to N10.5bn in 2020. Our Nigerian Life business was significantly responsible for this growth by contributing 96% to the performance achieved in 2021.

The underwriting profit of our life business declined, though marginally by 8% from N1.9bn in 2020 to N1.8bn in 2021. This decline is because of the significant increase in net benefit and claims by 40% from N3.9bn in 2020 to N5.4bn in 2021.

MICROFINANCE BANKING
Despite the negative impact of the pandemic, the recession and inflation, Mutual Benefits Microfinance Bank business improved in 2021 compared to year 2020. The gross earnings in year 2021 was N203.3m compared to N48.0m in year 2020 representing an increase of 324%. This was primarily due to the increase in the loan portfolio from N89.6m as at December 2020 to N1.5bn at December 2021. The net interest income grew by 552% from N18.8m in 2020 to N122.8m in 2021; net fees and commission income increased from N3.6m in 2020 to N37.8m in 2020, an increase of 950%; the operating income of the bank also moved from N34.7m in 2020 to N171.6m in 2021, an increase of 491%. The net operating income improved significantly by 276% from a loss position of N58.9m in 2020 to a net operating income of N103.7m.

Overall, the Bank achieved a profit after tax of N80.2m in 2021 versus its loss after tax position of N151.2m in 2020, an increase of 153%.

OPERATING PERFORMANCE
Though the Group's performance in year 2021 was a loss which was primarily attributable to the fair value losses of N5.6bn on FGN bonds because of the increase in the market yields on these instruments during the year (versus fair value gains of N3.3bn in 2020), this is not reflective of the good performance of the core underwriting business of Mutual Benefit Assurance Plc.

We recorded a net underwriting income of NN23.2bn in 2021 from a net underwriting income of N16.8bn in 2020, representing a 38% increase. This is driven by addition of new customers, introduction of new products, and investment in our retail sales team and digital channels. We also achieved 38% increase in underwriting profit of N5.1bn in 2021 from N3.7bn in 2020.

The Company completed its Private Placement during the year with the listing of additional 8,888,888,889 ordinary shares of 50 Kobo each on the Daily Official List of NGX on 28th of June. The shares were issued at 54 Kobo per share to Charles Enterprise LLC and Arubiewe Farms Ltd. The additional shares resulted in an 80% growth in the Group's share capital from N5.6b in 2020 to N10.0b in 2021.

The recorded marginal growth of 1% in the Group's Total Assets is not unconnected with the fair value losses recognized on our investments in FGN bonds. Our policy holders' liabilities increased by 34% from N17,6b in 2020 to N23.5b in 2021, while our investment holder liabilities increased by 6% from N28.4b in 2020 to N30.2b in 2021. Overall, the Total Liabilities of the Group grew by 10% to N64b in 2021.

Another major milestone is the full repayment of our USD9.5m loan from Concept Capital Management Limited with the payments of USD5m, USD2m and USD2.5m made on 22 September 2021, 26 January 2022 and 27 April 2022 respectively.

PROJECT ONE-RELOADED INITIATIVES
Activities under our 5-year Strategy Plan tagged "Project One Reloaded" continued in year 2021 with special focus on Information and Communication Technology (ICT) transformation of our operations and processes.

This ICT transformation known as "PROJECT EFFICIENCY" involves the complete overhaul of our operational Core Insurance software, as well as other Enterprise Resources Planning (ERP) software Applications for the sole aim of ensuring better service delivery to our customers, which is a key driver to deepening market penetration. This project will be completed by the fourth quarter of 2022.

LOOKING FORWARD
Despite the challenges of 2021, I am confident that we have taken decisive actions to address the losses sustained, we are focused on the ICT transformation of the Group. Aside from the enhancement of our current process for better service delivery to our customers/stakeholders, the transformation would go a long way in the successful implementation of the new financial reporting standard (IFRS 17-Insurance Contract) in the industry.

We expect all our business lines within and across Africa to deliver growth and profitability in the 2022 financial year. We remain confident in the medium and long-term prospects for a stronger and better positioned Mutual Benefit Assurance Plc.

I would like to express my gratitude for the exceptional work of Mutual Benefits' employees, agents and partners who have maintained an unfailing commitment to serving our stakeholders. I am confident and I know I can count on their energy and exceptional dedication to lead Mutual Benefit Assurance Plc towards a successful future.

I would like to use this opportunity to say thank you to all our customers, brokers, agents, business partners, shareholders, and other stakeholders for your contributions to the success of the Company.

Finally, my unreserved gratitude to you the Shareholders. Thank you for the unwavering confidence you have placed in us and for your support all through these years.

Olufemi Asenuga
MD/ CEO

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For the year 31 December

	GROUP			COMPANY		
	2021	**2020**	**%**	**2021**	**2020**	**%**
	₦'000	**₦'000**		**₦'000**	**₦'000**	
Gross premium written	29,299,247	19,983,843	47	13,794,276	9,207,506	50
Gross premium income	26,128,991	19,428,373	34	12,390,218	8,398,764	48
Net premium income	22,455,265	16,079,032	40	9,680,275	6,136,755	58
Net underwriting income	23,215,602	16,800,237	38	10,357,067	6,656,302	56
Underwriting profit	5,064,913	3,676,087	38	2,184,926	953,058	129
(Loss)/profit before income tax	(5,590,066)	5,042,025	(211)	(2,805,625)	1,882,327	(249)
(Loss)/profit for the year	(5,424,710)	5,109,209	(206)	(2,447,486)	1,862,856	(231)
(Loss)/earnings per share: Basic and diluted	(36)	46		(16)	17	

STATEMENTS OF FINANCIAL POSITION
As at 31 December

	2021	**2020**		**2021**	**2020**	**%**
	₦'000	**₦'000**		**₦'000**	**₦'000**	
Total assets	83,780,343	82,869,407	1	28,028,796	30,315,809	(8)
Insurance contract liabilities	23,464,143	17,572,283	34	9,957,655	7,428,602	34
Investment contract liabilities	30,178,616	28,447,267	6	-	-	-
Shareholders' fund	18,409,008	23,354,759	(21)	12,502,279	15,009,822	(17)

The Board has the pleasure of presenting their Report on the affairs of Mutual Benefits Assurance Plc ("the Company") and its subsidiaries (together "the Group") to the Shareholders along with the Group and the Company's Audited Financial Statements and the Auditor's Report for the year ended 31 December 2021.

LEGAL STATUS AND PRINCIPAL ACTIVITY

Mutual Benefits Assurance Plc was incorporated on the 18th day of April 1995 under the name Mutual Benefits Assurance Company Limited. The Company was converted and re-registered as a Public Limited Liability Company on 24 May 2001 and became listed on the Nigerian Stock Exchange (NSE) on 28 May 2002.

The Group's Head Office is at "Aret Adams House", 233, Ikorodu Road, Ilupeju, Lagos. It has branches and retail outlets spread across the nation in Abeokuta, Abuja, Ado - Ekiti, Akure, Port Harcourt, Warri, Lagos, Benin, Calabar, Ikorodu, Ilorin, Ibadan, Kaduna, Kano, Oshogbo, Otta, Owerri and Yenogoa.

BUSINESS REVIEW

The Group is mainly involved in General and Life insurance underwriting (under separate licenses held by the Company and its subsidiary respectively), Risk Management, Financial Services, Microfinance Banking and Real Estate.

The Company has progressed into a group with five subsidiary companies namely: Mutual Benefits Life Assurance Limited, Mutual Benefits Assurance Company Liberia, Mutual Benefits Assurance Niger SA, Mutual Benefits Homes and Properties Limited and Mutual Benefits Microfinance Bank Limited.

The MUTUAL Group's insurance products and services include:

GENERAL BUSINESS PRODUCTS	LIFE INSURANCE PRODUCTS
Fire and Special Perils	Term Assurance Policy
Burglary & House breaking	Keyman Assurance Policy
Householder/House-owner Comprehensive	Group Life Assurance
Marine Cargo	Credit Life Assurance Policy
Marine Hull	Mortgage Protection Policy
Motor	Anticipated Endowment Assurance Policy
Goods in Transit	Mutual Education Endowment Plan
All Risks Insurance	Whole Life Assurance Policy
Contractors All Risks	Mutual School Fee Guarantee Scheme
Erection All Risks	Mutual Multilife Shield
Plant All Risks	Individual Savings And Protection Plan
Machinery Breakdown	Personal Pension & Investment Plan
Money	Micro Personal Pension & Investment Plan
Professional Indemnity	Mutual Education Guarantee Assuranc
Fidelity Guarantee	Mutual Dignity Plan
Public Liability	
Personal Accident.	
Bond	
Aviation	
Oil and Gas.	

OPERATING RESULTS

Below is a summary of the Group's operating results: (in thousands of Naira)

	Group 2021 ₦'000	Group 2020 ₦'000	Company 2021 ₦'000	Company 2020 ₦'000
Gross Premium Written	29,299,247	19,983,843	13,794,276	9,207,506
(Loss)/Profit before income tax	(5,590,066)	5,042,025	(2,805,625)	1,882,327
Income tax credit/(expense)	165,356	67,184	358,139	(19,471)
(Loss)/Profit for the year	(5,424,710)	5,109,209	(2,447,486)	1,862,856

DIVIDENDS

The Board of Directors have not recommended any dividend for the year (2020: Nil).

DIRECTORS

The names of the Directors at the date of the report and of those who held offices during the year are as follows:

Dr. Akin Ogunbiyi	Chairman (Non-Executive)
Mr. Olufemi Asenuga	Managing Director/CEO
Mr. Adebiyi Ashiru-Mobolaji	Executive Director, Operations
Mr. Adesoye Olatunji	Non-Executive Director
Dr. Eze Ebube	Non-Executive Director (American)
Prof. Patrick Utomi	Non-Executive Director
Ms. Kadaria Ahmed	Non-Executive Director (Independent)
Mr. Akinboye Oyewumi	Non-Executive Director
Mr. Abidemi Sonoiki	Non-Executive Director (Independent) - Appointed effective 1 January 2021
Alh. Lamis Sheu Dikko	Non-Executive Director (Independent) - Resigned effective 28 July 2021
* Mrs.Temilade Durojaiye	Non-Executive Director - Appointed effective 29 April 2022
	* Died on 17 August 2022

DIRECTORS' INTEREST IN SHARE CAPITAL

The Directors who served during the year and their direct and indirect interests in the issued share capital of the Company as recorded in the Register of Directors shareholding and/or as notified by the Directors for the purpose of Section 301 of the Companies and Allied Matters Act, 2020 and the requirements of the listing requirements of the Nigerian Exchange Limited are:

	2021		2020		
DIRECTORS:	DIRECT Unit ₦'000	INDIRECT Unit ₦'000	DIRECT Unit ₦'000	INDIRECT Unit ₦'000	PERSONS REPRESENTED
Dr. Akin Ogunbiyi	1,100,000,000	4,983,406,675	1,100,000,000	1,105,497,278	Charks Investment Ltd & Arubiewe Farms Ltd
Dr. Eze Ebube	6,000,000	8,481,044,445	5,000,000	3,150,000,000	Charles Enterprise LLC
Prof. Patrick Utomi	34,439,974	-	34,439,974	-	
Mr. Adesoye Olatunji	-	883,358,723	-	933,858,376	CIL Risk & Asset Management Limited
Mr. Abidemi Sonoiki	100,000	-			
Mr. Lamis Sheu Dikko	-	-	-	-	
Mr. Akinboye Oyewumi	-	-	-	-	
Mr. Adebiyi Ashiru-Mobolaji	8,012,654	-	8,012,654	-	
Ms. Kadaria Ahmed	-	-	-	-	
Mr. Olufemi Asenuga	21,593,150	-	21,593,150	-	

DIRECTORS' INTEREST IN CONTRACTS

In compliance with Section 303 of the Companies and Allied Matters Act, 2020, none of the Directors has notified the Company of any declarable interest in contracts involving the Company during the year under review.

ACQUISITION OF OWN SHARES

The Company did not purchase its own shares in the year 2021 (2020: Nil).

SECURITY TRADING POLICY

The Group has a Board policy on personal investment, which applies to directors, staff and related parties. This policy prevents Directors, members of Staff and related Companies/individuals from insider dealing on the shares of Mutual Benefits Assurance Plc and related entities. The purpose of this policy is to prevent the abuse of confidential non-public information that may be gained in the course of being a director or working for the Company. The policy also ensures compliance by the Company with extant laws and regulatory requirements.

In the course of the financial year there was no case of violation of this policy.

RETIREMENT BY ROTATION

In accordance with Article 85 of the Company's Articles of Association and Companies and Allied Matters Act, 2020, the directors to retire by rotation are: Dr. Eze Ebube, Dr. Akin Ogunbiyi and Mr. Adesoye Olatunji and being eligible offer themselves for re-election.

CHANGES IN THE BOARD

Since the last Annual General Meeting Alh. Lamis Dikko resigned from the board with effect from 28 July 2021.

PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant and equipment is given in Note 32 to the consolidated and separate financial statements. In the Directors' opinion, the market value of the Group's property, plant and equipment is not less than the value shown in the financial statements.

DIRECTORS REMUNERATION

Remuneration	Description	Timing
Basic Salary	Part of gross salary package for Executive Directors only. The Company pays a competitive salary which is in line with the insurance industry trend and reflects the extent to which the Company's objectives have been met.	Paid monthly during the financial year
Other Allowances	These are part of the gross salary package of the Executive Directors only.	Paid periodically during the year
Director fees	Paid annually to Non-Executive Directors only.	Paid during the year
Traveling allowances	Paid to Non-Executive Directors who reside outside Lagos/Nigeria.	Paid during the year
Sitting allowances	Allowances paid to Non-Executive Directors only for sitting at Board and Committee meetings.	Paid after each meeting

DONATIONS AND CHARITABLE GIFTS

In identifying with the aspirations of the community and the environment within which the Company operates, a total sum of ₦ 6,330,000 (2020: ₦ 3,989,500) was given out as donations and charitable contributions during the year. Details of the donations and charitable gifts are as stated below:

Details of the donations and charitable gifts are as stated below:

Organisations:	2021 (₦)	2020 (₦)
Nigeria Rowing Canoe & Sailing Federation	3,582,000	-
Support for Christ Apostolic Church	1,560,000	-
Sponsorship of Federal University of Technology Akure's 40th Anniversary	500,000	-
Support for cancer surgery and treatment	300,000	-
Sponsorship of Lagos State Education District II's Sports Festival	250,000	-
Sponsorship of Lagos State Education District II's Annual Merit award	138,000	-
Sponsorship of indigent students at College of Insurance and Financial Management	-	2,475,000
Distribution of COVID-19 palliatives	-	1,264,500
Centre for Values in Leadership	-	250,000
TOTAL	**6,330,000**	**3,989,500**

BENEFICIAL OWNERSHIP

The following shareholders held 5% or more of the issued and paid up shares of the Company as at 31 December 2021:

Name of Holder	HOLDING	%
Charles Enterprises LLC	8,481,044,445	42.27%
Arubiewe Farms Limited	4,409,119,444	21.97%
Ogunbiyi Akinade Akanmu	1,100,000,000	5.48%

ACTIVE SHAREHOLDERS – SUMMARY (RANGE ANALYSIS) Position As at: 31.12.2021

Range	No of Holder	Holder %	Holders Cum	Units	Units %	Units Cum
1 - 5,000	14,421	39.34%	14,421	33,706,019	0.17%	33,706,019
5,001 - 10,000	6,432	17.55%	20,853	53,945,544	0.27%	87,651,563
10,001 - 100,000	13,172	35.93%	34,025	491,691,188	2.45%	579,342,751
100,001 - 500,000	2,057	5.61%	36,082	456,710,282	2.28%	1,036,053,033
500,001 - 1,000,000	272	0.74%	36,354	214,730,949	1.07%	1,250,783,982
1,000,001 – 5,000,000	206	0.56%	36,560	438,642,890	2.19%	1,689,426,872
5,000,001 – 10,000,000	28	0.08%	36,588	186,588,432	0.93%	1,876,015,304
10,000,001–100,000,000	55	0.15%	36,643	1,640,316,809	8.18%	3,516,332,113
100,000,001 above	15	0.04%	36,658	16,545,290,284	82.47%	20,061,622,397
Grand total	**36,658**	**100.00%**		**20,061,622,397**	**100.00%**	

EVENTS AFTER THE REPORTING DATE

As disclosed in Note 57 to the consolidated and separate financial statements, two payments of USD 2 Million and USD 2.5 Million were made on 26 January 2022 and 27 April 2022 respectively to extinguish the loan from Concept Capital Management Ltd. which replaced the Daewoo Bonds.

EMPLOYMENT AND HUMAN RESOURCES (HR) MATTERS

(I) Employee Involvement and Training

The Company recognises that the acquisition of knowledge is continuous, and that to foster commitment, its employees need to hone their awareness of factors: economic, financial or otherwise, that affects its growth. To this end, the Company in the execution of its training programmes (both local and international) encourages and provides the opportunity for its staff to develop and enhance their skills, awareness and horizon.

Gender Analysis

The number and gender analysis of the total workforce of the Company is as follows:

	Male Number	Female Number	Male %	Female %
Employees	103	65	61	39
Gender analysis of Board and Top Management is as follows:				
Board	8	1	89	11
Top Management	8	1	89	11

Gender Analysis

Detailed analysis of the Board and Top Management is as follows:

	Male Number	Female Number	Male %	Female %
Assistant General Manager	3	1	75	25
Deputy General Manager	2	0	100	0
General Manager	3	0	100	0
Executive Director	1	0	100	0
Chief Executive Officer	1	0	100	0
Non-Executive Director	6	1	86	14

(ii). Employment of Physically Challenged Persons

The Company adopts a non-discriminatory policy of giving fair consideration to applications for employment including those received from physically challenged persons having regard to their particular aptitudes and abilities.

(iii). Employee Health Safety and Welfare

The Company maintains business premises designed with a view to ensure the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. In addition, free medical services are provided for the Company's employees and their immediate families through Health Management Organisations (HMO). Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises. The Company also operates a contributory pension plan in line with the Pension Reform Act 2014.

Welfare facilities provided include: housing for employees (or payment of allowance in lieu), transport allowance; car loans or official cars. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and some of these include promotions, salaries and wages review amongst others.

AUDITOR

The Auditor, Messrs. Ernst & Young have indicated their willingness to continue in office in compliance with National Code of Corporate Governance of Nigeria 2018 and sectoral guideline issued by NAICOM. Messrs. Ernst & Young were appointed as Auditor of the Company in compliance with Section 407(1) of the Companies and Allied Matters Act, 2020.

COMPLIANCE WITH NAICOM CODE OF CORPORATE GOVERNANCE

In view of its commitment to the implementation of effective corporate governance principles in its business operations, the Company filed its Half Yearly Return with the Securities and Exchange Commission (SEC) as at 30 June and 31 December, respectively, and also its periodic returns with National Insurance Commission (NAICOM) as required by regulations.

Also, in line with the principles of Corporate Governance the Company made efforts to satisfy the requirement of convening a Board Meeting every quarter. The Board Committees established are equally viable and are working in line with their Terms of Reference.

By order of the Board

Jide Ibitayo
FRC/2013/NBA/00000003123
Company Secretary/ Legal Adviser
Date: 29 April 2022

Mutual Benefits Assurance Plc remains committed to the principles and practices that promote good Corporate Governance. We recognize that sound corporate governance practices are necessary for effective management and control of the Company. Prior to the introduction of the Code of Corporate Governance for Companies in Nigeria, we had already adopted a responsible attitude towards Corporate Governance and issues of Corporate Social Responsibility in Nigeria. The Company conducts its business with integrity and pays due regard to the legitimate interest of all stakeholders.

The Company continues to comply with its Internal Governance Policies, the National Code of Corporate Governance 2018, and the sectoral Guideline issued by the National Insurance Commission. The National Code of Corporate Governance covers a wide range of issues including Board structure, Quality of Board Members, duties of the Board, Conduct of the Board of Directors, Rights of Shareholders and Committees of the Board.

THE BOARD OF DIRECTORS

The Board of Directors has the ultimate responsibility for the overall functioning of the Company. The responsibilities of the Board include setting the Company's strategic objectives and policies, providing leadership to put them into effect, supervising the management of the business, ensuring implementation of decisions reached at the Annual General Meeting, ensuring value creation to shareholders and employees, determination of the terms of reference and procedures of all Board Committees, ensuring maintenance of ethical standard as well as compliance with the laws of Nigeria. The Board consists of nine (9) Directors, made up of the Managing Director, Executive Director and seven (7) Non-Executive Directors, one of whom is the Chairman. The Directors are experienced stakeholders with diverse professional backgrounds in Insurance, Accounting, Banking, Commerce, Management, Diplomacy, Engineering, Government etc. The Directors are of impeccable character and integrity.

The Company is delighted to have a versatile Board with deep understanding of its responsibilities to Shareholders, Regulatory Authorities, Government and other Stakeholders. The Board always takes proactive steps to master and fully appreciate all cultural, legislative, ethical, institutional and all other factors, which impact our operations and operating environment. This has ensured that a culture of compliance with rules and regulation is entrenched at all levels of operations within the Company.

The meetings of the Board are scheduled well in advance and reports from Committees of the Board are circulated to all the Directors. The Board meets at least once quarterly and at other times as the need arises.

(a) RECORD OF DIRECTOR'S ATTENDANCE

In accordance with Section 318(3) of the Companies and Allied Matters Act 2020, the record of Directors' attendance and meetings held during year 2021 is available for inspection at the Annual General Meeting. The Board met five (5) times during the year and the meetings of the Board were presided over by the Chairman. Written notices of the Board meetings, along with the agenda were circulated at least fourteen days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

DIRECTORS	29.1.2021	26.3.2021	29.3.2021	28.7.2021	28.10.2021	TOTAL
Dr. Akin Ogunbiyi	✓	✓	✓	✓	✓	5
Mr. Adesoye Olatunji	✓	✓	✓	✓	✓	5
Dr. Eze Ebube	✓	✓	✓	✓	✓	5
Prof. Patrick Utomi	✓	✓	✓	✓	✓	5
Alh Lamis Dikko*	✓	✓	✓	✓	N/A	4
Ms. Kadaria Ahmed	✓	✓	✓	✓	✓	5
Mr. Akinboye Oyewumi	✓	✓	✓	✓	✓	5
Mr. Abidemi Sonoiki	✓	✓	✓	✓	✓	5
Mr. Olufemi Asenuga	✓	✓	✓	✓	✓	5
Mr. Adebiyi Ashiru-Mobolaji	✓	✓	✓	✓	✓	5

✓	Attended	X	Absent	N/A	Not Applicable	*	Resigned during the year

(b). Committees

The Board also functioned through a total of 3 Standing Committees and the Statutory Audit Committee during the year under review.

i. Statutory Audit Committee

The Audit Committee is established in accordance with Section 404 of the Companies and Allied Matters Act (CAMA), 2020.

By virtue of Section 404(7) of CAMA the Statutory Audit Committee ("The Committee") is to assist the Board of Directors to (i) ascertain whether the accounting and reporting policies of the company are in accordance with legal requirements and agreed ethical practice (ii) review the scope and planning of audit requirements (iii) review the findings on management matters in conjunction with the external auditor and departmental responses thereon (iv) keep under review the effectiveness of the Company's system of accounting and internal control (v) make recommendations to the Board with regards to the appointment, removal and remuneration of the external auditors of the Company and (vi) authorise the internal auditor to carryout investigations into any activities of the company which may be of interest or concern to the Committee. The Committee is responsible for reviewing the adequacy of the internal audit plan, receive and deliberate on the report of the external auditors, review progress on recommendations made in both the internal and external audit reports, review the adequacy of internal control systems and the degree of business compliance with laid down internal policies, laws, code of business principles and other relevant regulatory frameworks.

The Committee consists of five (5) members, two (2) of whom are nominated by the Board and three (3) elected by shareholders and their tenure is renewed annually.

The Committee met six (6) times to review the adequacy of the internal audit plan, to receive and deliberate on the report of the external auditors, to review progress on recommendations made in both the internal and external audit reports, to review the adequacy of internal control systems and the degree of business compliance with laid down

MEMBERS	28.1.2021	29.3.2021	01.06.2021	28.7.2021	26.10.21	22.12.2021	TOTAL
Mrs. Temilade Durojaiye Chairman	✓	✓	✓	✓	✓	✓	6
Mr. Akin Odubiyi - Until 05.08.2021	✓	✓	✓	✓	N/A	N/A	4
Dr. Anthony Omojola - wef 05.08.2021	N/A	N/A	N/A	N/A	✓	✓	2
Mr. Osato Aideyan	✓	✓	✓	✓	✓	✓	6
Dr. Eze Ebube	✓	✓	✓	✓	X	✓	5
Mr. Akinboye Oyewumi - Until 05.8.2021	✓	✓	✓	✓	N/A	N/A	4
Mr. Adesoye Olatunji - Until 05.08.2021	✓	✓	✓	✓	N/A	N/A	4
Prof. Patrick Utomi - wef 05.08.2021	N/A	N/A	N/A	N/A	✓	✓	2

✓ Attended   X Absent   N/A Not Applicable

ii. Finance, Investment & Strategy Committee

The Finance, Investment and Strategy Committee ("FISC" or "the Committee") assists the Board in strategy formulation and monitoring the Group's strategy implementation process, financial performance as well as the investment management process. The Committee also assists to review the investment guidelines of the Company, ensure that investments embarked upon by the Management are in line with the guidelines as well as the appropriate statutory regulations.
The Committee comprises five (5) members namely: Alh. Lamis Dikko (resigned with effect from 28 July 2021), Mr. Abidemi Sonoiki, Mr. Adesoye Olatunji, Mr. Akinboye Oyewumi, Mr. Olufemi Asenuga and Mr. Adebiyi Ashiru-Mobolaji. Alh. Lamis Dikko Chaired the Committee during the year under review until 28 July 2021 and Mr. Abidemi Sonoki was appointed as the Chairman with effect from 28 July 2021.
The Committee met four (4) times during the period under review. The records of attendance at the meetings are as follows:

MEMBERS	28.1.2021	2.6.2021	27.7.2021	27.10.2021	TOTAL
Alh. Lamis Dikko - Chairman until 28.7.2021	✓	✓	✓	N/A	3
Mr. Abidemi Sonoiki - Chairman wef 28.7.2021	X	✓	✓	✓	3
Mr. Adesoye Olatunji	✓	✓	✓	✓	4
Mr. Akinboye Oyewumi	✓	X	✓	✓	3
Mr. Femi Asenuga	✓	✓	✓	✓	4
Mr. Adebiyi Moruf Ashiru-Mobolaji	✓	✓	✓	✓	4

✓	Attended	X	Absent	N/A	Not Applicable

iii. Governance & Personnel Committee

The Board Governance & Personnel Committee ("BGPC" or "the Committee"), is responsible for ensuring fulfilment of the Board's governance responsibilities as well as responsible for overseeing the management of human resources to ensure that recruitment and remuneration policies and practices are designed to attract, retain and reward the calibre of Directors and staff members required to achieve the corporate objectives of the Company. The Committee is also responsible for making recommendations on the governance of the Company, remuneration and general welfare of the Senior Management and Staff of the Company.

The Governance & Personnel Committee comprises four members: Alh. Lamis Dikko who resigned with effect from 28 July 2021, Mr. Akinboye Oyewumi, Dr. Eze Ebube and Ms. Kadaria Ahmed. The Committee was chaired by Alh. Lamis Dikko until 28 July 2021 and Mr. Akinboye Oyewumi was appointed Chairman with effect from 28 July 2021.

MEMBERS	11.3.2021	26.07.2021	22.10.2021	TOTAL
Alh. Lamis Dikko - Chairman until 28.7.2021	✓	✓	N/A	2
Mr. Akinboye Oyewumi - Chairman wef 28.7.2021	✓	✓	✓	3
Dr. Eze Ebube	✓	✓	✓	3
Ms. Kadaria Ahmed	✓	✓	✓	3

✓	Attended	X	Absent	N/A	Not Applicable

iv. Audit & Risk Management Committee

The Audit and Risk Management Committee oversees and advise the Board on its oversight responsibilities in relation to internal control, internal audit, financial reporting, risk management and regulatory compliance. The Committee also ensures compliance with Enterprise Risk Management Policies and the Regulatory Risk Management Requirements. The Committee deliberates on and make recommendations to the Board on technical and special matters in connection with the core business of the Company as referred to it from time to time by the Board.

The Audit & Risk Management Committee comprises five (5) members: Prof Patrick Utomi, Dr. Eze Ebube, Mr Adesoye Olatunji, Ms Kadaria Ahmed and Mr. Abidemi Sonoiki. The Committee is chaired by Prof Patrick Utomi. The Audit & Risk Management Committee met three (3) times during the year under review. The records of attendance

MEMBERS	10.1.2021	27.07.2021	22.10.2021	TOTAL
Prof Patrick Utomi - Chairman	✓	X	✓	2
Dr. Eze Ebube	✓	✓	✓	3
Mr. Adesoye Olatunji	✓	✓	✓	3
Ms. Kadaria Ahmed	✓	✓	✓	3
Mr. Abidemi Sonoiki	✓	✓	✓	3

✓	Attended	X	Absent

(C) Enterprise Risk Management

I. Introduction and Overview

Mutual Benefits Assurance Plc has a clear and functional Enterprise Risk Management (ERM) framework that helps in identifying, assessing and managing the likely impact of risks faced by the Company.

ii. Enterprise-wide Risk Management Principles

At Mutual Benefits Assurance Plc, we strive to balance our portfolio of risks while maximizing value to stakeholders through an approach that mitigates the inherent risks and reward our business.

To ensure effective and economic development of resources, we operate strictly by the following principles:

- The Company will not take any action that will compromise its integrity.
- The Company will at all times comply with all government regulations and uphold best international practice.
- The Company will build an enduring risk culture, which shall pervade the entire organisation.
- The Company will at all times hold a balanced portfolio and adhere to guidelines on investment issued by the regulator and Finance, Investment & Strategy Committee of the Board.
- The Company will ensure that there is adequate reinsurance in place for its businesses and also ensure prompt payment of such premiums.

iii. Approach to Risk Management

At Mutual Benefits Assurance Plc, there are levels of authority put in place for the oversight function and management of risk to create and promote a culture that mitigates the negative impact of risks facing the Company.

iv. The Board

The Board sets the organisation's objectives, risk appetite and approves the strategy for managing risks. There is a Board Committee on Risk Management which ensures that various functions are geared towards minimizing the likelihood of the impacts of risks faced by the Company.

v. The Statutory Audit Committee of the Board

This is a statutory Committee saddled with the following functions:

- Performs oversight function on accounting and financial reporting
- Liaison with the external auditor
- Ensure regulatory compliance
- Monitoring the effectiveness of internal control process within the Company

vi. The Audit & Risk Management Committee

This Committee oversees the business process. Their functions include:

- Reviewing of Company's risk appetite.
- Oversee management's process for identification of significant risk across the Company and the adequacy of prevention detection and reporting mechanisms.
- Review underwriting risks especially risks above management's limit for adequacy of reinsurance and Company's participation.
- Review and recommend for approval of the Board, risk management procedures and controls for new products and services.

vii. Finance, Investment & Strategy Committee

Sets the investment limit and the type of Investments the Company should undertake.

- Reviews and approves the Company's Investment Policy
- Approves investments over and above Management's approval limit.
- Ensures that there is optimal asset allocation in order to meet the targeted goals of the Company.

The second level is the management of the Company. This comprises the Managing Director and the Management Committee.

They are responsible for implementation of the Enterprise Risk Management policies and guidelines set by the Regulator, Government and the Board for risk mitigation. This is achieved through the business unit they supervise.

The third level is the independent assurance. This comprises the internal audit function that provides independent and objective assurance of the effectiveness of the Company's system of internal controls established by the first and second lines of defence in management of Enterprise Risk across the organisation.

NEXTZON

•STRATEGY•RECRUITMENT•GOVERNANCE•SME CONSULTING•e-BUSINESS•PUBLIC SECTOR CONSULTING•VENTURES

9th September, 2022

The Chairman
Mutual Benefits Assurance Plc
Aret Adams House
233 Ikorodu Road
Lagos.

Dear Sir,

EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS OF MUTUAL BENEFITS ASSURANCE PLC FOR THE FINANCIAL YEAR ENDED DECEMBER 2021.

Nextzon was engaged to undertake an annual evaluation of the performance of the Board of Directors of Mutual Benefits Assurance Plc for the financial year ended December 2021.

We certify that we have concluded the 2021 evaluation of the performance of the Board of Directors of Mutual Benefits Assurance Plc, using the NAICOM Corporate Governance Guidelines for Insurance and Reinsurance Companies in Nigeria 2021 as benchmark. From our independent assessment, Mutual Benefits Assurance Plc has complied significantly with the principles defined by the Guidelines.

Our evaluation identified some areas of improvement relating to term of office of Non-Executive Directors, training for directors, frequency of the Board performance appraisal and external assessment of Internal Audit functions.

On the basis of the above, we advise that the Board focuses its attention this financial year on implementing the recommendations contained in our report.

Thank you.

Yours faithfully

For: NEXTZON BUSINESS SERVICES LIMITED

Segun Olukoya
Executive Director
FRC/2019/IODN/00000019793

Nextzon Business Services Limited
1, Rachael Nwangwu Close, Lekki Phase 1, Lekki, Nigeria
Tel: 234 08127227044
Email: info@nextzon.com

To the Members of Mutual Benefits Assurance Plc

In accordance with the relevant provisions of the Companies and Allied Matters Act, 2020, 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, the members of the Statutory Audit Committee of Mutual Benefits Assurance Plc. hereby report as follows:

- We have exercised our statutory functions under Section 404(7) of the Companies and Allied Matters Act, 2020, and we acknowledge that the scope and planning of both the external and internal audits for the year ended 31 December 2021 were satisfactory and reinforce the Company's Internal Control Systems.
- We confirm that the accounting and reporting policies of the Group are in accordance with legal requirements and agreed ethical practices.
- We are satisfied with the Management's responses to the external auditor's recommendations on accounting and internal control matters and with the effectiveness of the Company's system of accounting and Internal Control.
- We acknowledge the co-operation of Management and staff in the conduct of statutory responsibilities.

Mrs. Temilade Durojaiye
Chairman, Statutory Audit Committee
FRC/2013/ICAN/00000003102

Date: 29 April 2022

Members of the Statutory Audit Committee are:

1	Mrs. Temilade Durojaiye	Chairman and shareholders' representative
2	Mr. Akin Odubiyi*	Shareholders' Representative
3	Dr. Anthony Omojola**	Shareholders' Representative
4	Mr. Osato Aideyan	Shareholders' Representative
5	Dr Eze Ebube	Board's Representative
6`	Mr. Akinboye Oyewumi*	Board's Representative
7	Mr. Adesoye Olatunji*	Board's Representative
8	Prof. Patrick Utomi**	Board's Representative

* Retired with effect from 5 August 2021
** Appointed with effect from 5 August 2021

Secretary to the Committee

Babajide Ibitayo

The Company has a robust Complaint Management Policy to resolve complaints from shareholders, customers and other stakeholders with speed. Below is the Company's complaints management procedure.

A complaint can be lodged either by forwarding letter of complaint addressed to the MD/CEO at the company's address 233, Ikorodu Road, Ilupeju, Lagos or electronically to complaints@mutualng.com.

The complaint should include the following details:

a. Names
b. Address
c. Telephone
d. E-mail Address
e. Signature (this may be dispensed with where the complaint is lodged electronically)
f. Date
g. A description of the action or issues complained about and reason for the complaint

The Managing Director/CEO or his nominees shall acknowledge receipt of the complaint within five working days either by email or by post.

The Company will use its best endeavour to resolve all complaints within ten working days of the receipt of the complaint. Where complaint cannot be resolved by the company within ten working days, the complainant will be so informed and the appropriate regulator (where necessary) will be notified within two working days with reason(s) for our inability to resolve the complaint. Such complaints may be referred to the appropriate regulator in cases that require the regulator's intervention

The Company maintains a complaint register which contains the following information

a. Name of the complainant
b. Date of the complaint
C. Nature of the complaint
d. Summary of the complaint
e. Action taken
f. Remarks/comment

In addition, the Company maintains an ethics line/email managed independently and guarantees the anonymity of the complainant. The ethics line/email is managed by KPMG with details below:

Telephone toll free number: 0703-000-0026, 0703-000-0027
0808-822-8888, 0708-060-1222, 0809-933-6366, 0705-889-0140
Email: kpmgethicsline@ng.kpmg.com
weblink: https://apps.ng.kpmg.com/ethics

In line with the provision of Section 405 of Companies and Allied Matter Act 2020, we have reviewed the audited financial statements of the Group and the Company for the year ended 31 December 2021 based on our knowledge confirm as follows:

I The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading.

ii The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group and the Company as of and for the year ended 31December 2021.

iii The Company's internal controls for the year 2021 have been designed to ensure that all material information relating to the Company and its subsidiaries is received and provided to the Auditors in the course of the audit.

iv The Company's and subsidiary internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2021.

That we have disclosed to the Company's Auditor and Audit Committee the following information:

a) there are no significant deficiencies in the design or operation of the group internal controls which could adversely affect the bank's ability to record, process, summarise and report financial data, and have discussed with the auditor any weaknesses in internal controls observed in the cause of Audit.

b) there is no fraud involving management or other employees which could have any significant role in the group internal control.

v There are no significant changes in internal controls or in the other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

Mr. Abayomi Ogunwo
FRC/2015/ICAN/00000011225
Chief Finance Officer

Date: 29 April 2022

Mr. Olufemi Asenuga
FRC/2013/CIIN/00000003104
Managing Director/ CEO

Date: 29 April 2022

The directors accept responsibility for the preparation of the annual financial statements that give a true and fair view of the statement of financial position of the Group and the Company at the end of the year and of its profit or loss and other comprehensive income as required by the Companies and Allied Matters Act, 2020 and the Insurance Act. 2003. The responsibilities include ensuring that the Company:

a) Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and the Company and comply with the requirements of the Companies and Allied Matters Act and the Insurance Act;

b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, which are all consistently applied.

The Directors accept responsibility for the annual consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with

- International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board;
- the requirement of the Insurance Act 2003;
- relevant guidelines and circulars issued by the National Insurance Commission (NAICOM);
- the requirements of the Companies and Allied Matters Act, 2020; and
- the Financial Reporting Council of Nigeria Act No 6, 2011.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Group and the Company will not remain a going concern for at least twelve months from the date of this statement.

Dr. Akin Ogunbiyi
Chairman
FRC/2013/CIIN/00000003114

Date: 29 April 2022

Mr. Olufemi Asenuga
Managing Director/CEO
FRC/2013/CIIN/00000003104

Date: 29 April 2022

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MUTUAL BENEFITS ASSURANCE PLC

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Mutual Benefits Assurance Plc ("the Company") and its subsidiaries (together 'the Group'), which comprise the consolidated and separate statements of financial position as at 31 December 2021, and consolidated and separate statements of profit or loss, the consolidated and separate statements of other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and notes to the consolidated and separate financial statements.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 December 2021, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the relevant provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003 and relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria Act No. 6, 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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

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

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MUTUAL BENEFITS ASSURANCE PLC - Continued

Key Audit Matters- continued

The Key Audit Matter applies equally to the audit of the consolidated and separate financial statements

Key Audit Matter	How the matter was addressed in the audit
Adequacy of valuation of Insurance Contract Liabilities This is an area that involves significant judgement over uncertain future outcomes and therefore we considered it a key audit matter for our audit. Th Group has insurance contract liabilities of ₦23.46 billion (Dec 2020: ₦17.57 billion), out of which included outstanding claims of ₦14.74 billion (Dec 2020: ₦12.01 billion) as at 31December 2021 representing 23% (Dec 2020: 21%) of the Group's total liabilities. The Group engaged an independent actuary to ensure the adequacy of the estimated outstanding claims and unearned premium which comprised the insurance contract liabilities by performing an actuarial valuation as at year end. The complexity of the valuation models may give rise to errors as a result of inadequate/incomplete data or the design or application of the models. Economic assumptions such as interest rates and future inflation rates and actuarial assumptions such as customer behavior and uniform risk occurrence throughout the year are key inputs used to determine these liabilities. Significant judgement is applied in setting these assumptions. Insurance contract liabilities are disclosed in Note 35 to the consolidated and separate financial statements.	• We reviewed and documented management's process for estimating non-life policy claims. • We assessed the design of internal controls over the integrity of underwriting and claims data in the system as well as over the reserving and claims processes. • We performed file reviews of specific underwriting contracts in order to maximize our understanding of the book of business and validate initial loss estimates. • We tested subsequent year claim payments to confirm the reasonableness of the initial loss estimates. With the assistance of our in-house actuarial specialists, we performed the following audit procedures on the Company's actuarial reports: • We considered the appropriateness of the economic assumptions used in the valuation of the insurance contracts with reference to the Company's and industry's data and expectations of investment returns, and expense developments. • We considered the appropriateness of the non-economic assumptions used in the valuation of the insurance contracts by reference to Company-specific and industry data. • We assessed the competence and objectivity of the Company's independent actuary, confirming they are qualified and affiliated with the appropriate industry bodies.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MUTUAL BENEFITS ASSURANCE PLC - Continued

Other Information
The directors are responsible for the other information. The other information comprises the information included in the document titled "Mutual Benefits Assurance Plc's Annual Report and Annual Consolidated and Separate Financial Statements for the year ended 31 December 2021", which includes the Corporate Information, the Financial Highlights, the Report of the Directors, the Corporate Governance Report, Report of the Statutory Audit Committee, Statement of Corporate Responsibility, Statement of Directors' responsibilities and Other National Disclosures as required by the Companies and Allied Matters Act, 2020 and Financial Reporting Council of Nigeria Act No. 6, 2011 and the Corporate Governance Report as required by NAICOM, which we obtained prior to the date of this report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors' for the Financial Statements
The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRS), and the relevant provisions of the Companies and Allied Matters Act, 2020, 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 determines necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MUTUAL BENEFITS ASSURANCE PLC - Continued

Auditor's Responsibilities for the Audit of the Financial Statements – Continued

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MUTUAL BENEFITS ASSURANCE PLC - Continued

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements
In accordance with the requirements of Fifth schedule of the Companies and Allied Matters Act, 2020 and Section 28(2) of the Insurance Act 2003, we confirm that:

I) 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;

ii) in our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books;

iii) the consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and the consolidated and separate statement of other comprehensive income are in agreement with the books of account; and

iv) in our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions the Companies and Allied Matters Act, 2020 and of Section 28(2) of the Insurance Act 2003, so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

Oluwasayo Elumaro, FCA
FRC/2012/ICAN/00000000139

For: Ernst & Young
Lagos, Nigeria

Date: 04 August 2022

1. Corporate information

These financial statements are the consolidated and separate financial statements of Mutual Benefits Assurance Plc ("the Company") and its subsidiaries (hereafter referred to as the 'the Group'). The address of the registered office is: Aret Adams House, 233 Ikorodu Road, Ilupeju, Lagos.

Mutual Benefits Assurance Plc ("the Company") (RC 269837) was incorporated as a private limited liability company on 18 April 1995, granted the Certificate of Registration as an insurer by the National Insurance Commission (NAICOM) on September 1995 and commenced operations on 2 October 1995 and became a public liability company in 24 May 2001. Mutual Benefits Assurance Plc is a financial, wealth protection company in Nigeria. The Company is listed on the Nigerian Stock Exchange.

The Company invests policy holders funds and pays claims arising from insurance contract liabilities in line with the provisions of Insurance Act, CAP 117, Law of the Federal Republic of Nigeria 2004 and NAICOM prudential guidelines.

The principal activities of the subsidiaries and information of the Group's structure are disclosed in Note 30. Information on other related party relationships of the Group is provided in Note 54.

The consolidated and separate financial statements of the Company and its subsidiaries were authorised for issue by the Board of Directors on **29 April 2022.**

Going Concern

The consolidated and separate financial statements have been prepared on the going concern basis and there is no intention to curtail business operations. Capital adequacy and liquidity ratios are continuously reviewed, and appropriate action taken to ensure that there are no going concern threats to the operation of the Group and the Company.

The Directors have made assessment of the Group's and the Company's ability to continue as a going concern and have no reason to believe that the Group and the Company will not remain a going concern in the 12 months from the date of issuance of the financial statements.

2. Summary of significant accounting policies

2.1 *Introduction to summary of accounting policies*

The principal accounting policies applied in the preparation of these consolidated and separate financial statements ("the financial statements") are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.2 Statement of compliance with IFRS

These consolidated and separate financial statements of the Company and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Additional information required by national regulations has been included where appropriate.

2.3 Basis of presentation

The consolidated and separate financial statements comprise of the consolidated and separate statements of profit or loss, consolidated and separate statements of other comprehensive income, the consolidated and separate statements of financial position, the consolidated and separate statements of changes in equity, the consolidated and separate statements of cash flows, summary of significant accounting policies and the notes to the consolidated and separate financial statements.

The consolidated and separate financial statements values are presented in Nigerian Naira (₦) rounded to the nearest thousand (₦'000), unless otherwise indicated.

The Group presents its statement of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (no more than 12 months) and more than 12 months after the reporting date (more than 12 months) is presented in the respective notes.

(a) Basis of measurement

These consolidated and separate financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss and at fair value through other comprehensive income, which are carried at fair value.

(b) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 2.4.37.

2.4. Significant accounting policies

Except for the effect of the changes in accounting policies as disclosed in Note 2.4.36.1, if any, the group has consistently applied the following accounting policies to all periods presented in these financial statements

2.4.1 Basis of Consolidation

The consolidated and separate financial statements comprise the financial statements of the Group and its investees that are considered subsidiaries as at 31 December 2021. Subsidiaries are investees that the Group has control over. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

(a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
(b) Exposure, or rights, to variable returns from its involvement with the investee; and
(c) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) The contractual arrangement with the other vote holders of the investee
(b) Rights arising from other contractual arrangements
(c) The Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the owners of the Group and to the non- controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction (transactions with owners).

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, noncontrolling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.4.2 Product classification

Insurance contracts are those contracts where the Group (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk.

Investment contracts are those contracts that transfer significant financial risk, but not significant insurance risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of price or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. Investment contracts can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

2.4.3 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.4.4 Foreign currency translation

The Group's consolidated financial statements are presented in Naira which is also the parent company's functional currency. Each company in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

2.4.4.1 Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their functional currency spot rate prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

All differences arising on settlement or translation of monetary items are taken to the statement of profit or loss with the exception of differences on foreign monetary items that form part of a net investment in a foreign operation. These are recognised in OCI until the disposal of the net investment, at which time they are reclassified to profit or loss. Tax charges and credits attributable to exchange differences on these monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of a gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.4.4.2 Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Naira at the rate of exchange prevailing at the reporting date and their statement of profit or loss is translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange at the reporting date.

2.4.5 Segment reporting

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments; assurance business, real estate and microfinance bank.

A segment is a distinguishable component of the Group that is engaged in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segments i.e life business, real estate and microfinance. Significant geographical regions have been identified as the secondary basis of reporting, which are Nigeria, Niger and Liberia as disclosed Note 3.6.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

2.4.6 Revenue recognition

Revenue comprises premium, fee & commissions, investment income, value for services rendered, net of value-added tax, after eliminating revenue within the Group.

2.4.6.1 Gross premiums

Gross recurring premiums on life and investment contracts are recognised as revenue when payable by the policyholder. For single premium business, revenue is recognised on the date on which the policy is effective.

Gross general insurance written premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered into during the accounting period. They are recognised on the date on which the policy commences. Gross premium income includes any adjustments arising in the accounting period for premiums receivable in respect of business written in prior accounting periods. Premiums collected by intermediaries, but not yet received, are assessed based on estimates from underwriting or past experience and are included in premiums written.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro rata basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

2.4.6.2 Reinsurance premiums

Gross outward reinsurance premiums on life are recognised as an expense on the earlier of the date when premiums are payable or when the policy becomes effective.

Gross general reinsurance premiums ceded comprise the total premiums payable for the whole cover provided by contracts entered into in the period and are recognised on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.

Unearned reinsurance premiums are those proportions of premiums ceded in a year that relate to periods of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies for risks-attaching contracts and over the term of the reinsurance contract for losses-occurring contracts.

Reinsurance premiums and claims on the face of the statement of profit or loss have been presented as negative items within premiums and net benefits and claims, respectively, because this is consistent with how the business is managed.

Reinsurance commission income

Reinsurance commission income represents commission received on direct business and transactions ceded to re-insurance during the year. It is recognized over the cover provided by contracts entered into the period and are recognized on the date on which the policy incepts.

2.4.6.3 Fees and commission income

Fee income represents commission received on direct business and transactions ceded to re-insurance companies during the year under review.

2.4.6.4 Investment income

Interest income is recognised in the statement of profit or loss as it accrues and is calculated by using the EIR method. Fees and commissions that are an integral part of the effective yield of the financial asset are recognised as an adjustment to the EIR of the instrument.

Investment income also includes dividends when the right to receive payment is established and Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms

2.4.6.5 Rendering of services and sales of goods

Revenue from sales of goods arising from property business engaged in by the Group. The revenue recognition is contingent on when control is transferred to buyer.

2.4.6.6 Finance income

Interest income arising from the micro finance banking services offered by the Group and is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method.

2.4.7 Benefits, claims and expenses recognition

2.4.7.1 Gross benefits and claims

Gross benefits and claims for life insurance contracts include the cost of all claims arising during the year, including internal and external claims handling costs that are directly related to the processing and settlement of claims. Death claims and surrenders are recorded on the basis of notifications received.

General insurance claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

2.4.7.2 Reinsurance claims

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

2.4.7.3 Underwriting expenses

Underwriting expenses comprise acquisitions costs and other underwriting expenses. Acquisition costs comprise all direct and indirect costs arising from the writing of insurance contracts. These costs also include fees and commission expense. Other underwriting expenses are those incurred in servicing existing policies and contracts. Acquisition costs are recognized in the statement of profit or loss over the tenor of the insurance cover.

2.4.7.4 General administrative expenses

These are expenses other than claims and underwriting expenses. They include employee benefits, professional fees, depreciation expenses and other non-operating expenses. Management expenses are accounted for on accrual basis and recognized in the statement of profit or loss upon utilization of the service or at the date of origination.

2.4.7.5 Finance costs

Interest expense arising from the micro finance banking services offered by the Group is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Accrued interest is included within the carrying value of the interest-bearing financial liability.

2.4.8 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less from origination, which are subject to an insignificant risk of changes in value and not subject to any encumbrances.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Group's cash management.

2.4.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.4.9.1 Financial assets

2.4.9.1.1 Initial recognition

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

2.4.9.1.2 Financial assets subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses Upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes short-terms deposits with banks, Loans and advances, and other Debt instruments at amortised cost if both of the following conditions are met

- The instruments are held within a business model with the objective of holding the instrument to collect the contractual cash flows
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss
Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as investment income in the statement of profit or loss when the right of payment has been established.

2.4.9.1.3 Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4.9.1.4 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a regulatory no premium no covers impairment approach.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4.9.1.5 The calculation of ECLs

The Group calculates ECLs based on scenarios to measure the expected cash shortfalls, discounted at anappropriate EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the entity expects to receive.

When estimating the ECLs the Group considers three scenarios (a base case, an upside, and a downside). When relevant, the assessment of multiple scenarios also incorporates the probability that the defaulted loans will cure.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.

EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.

LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

The Group allocates its assets subject to ELC calculations into one of these categories, determined as follows:

Stage 1 (12mECL): The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an appropriate EIR. This calculation is made for each of the three scenarios, as explained above.

Stage 2 (LTECL): When an instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected losses are discounted by an appropriate EIR.

Stage 3/Impairment (LTECL): For debt instruments considered credit-impaired, the Company recognises the lifetime expected credit losses for these instruments. The method is similar to that for Stage 2 assets, with the PD set at 100%.

2.4.9.1.6 Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these financial statements

2.4.9.2 Financial liabilities

2.4.9.2.1 Initial recognition and measurement

Financial liabilities are classified at initial recognition, as borrowing, payables and other payables as appropriate.

All financial liabilities are recognized initially at fair value. The Group's financial liabilities include trade payables, other accrual and payables.

2.4.9.2.2 Subsequent measurement

Subsequent measurement of financial liabilities depends on their classification.

i. Payables and other payables
Subsequent to initial recognition, they are measured at amortized cost using the effective interest rate method. If the due date of the liability is less than one-year discounting is omitted.

ii. Interest bearing loans and borrowings
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the statement of profit or loss.

2.4.9.2.3 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

2.4.9.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4.10 Deposit liabilities

Deposits liabilities include current, term and savings deposits with the Group by depositors. Deposits from customers are initially recognized in liabilities at fair value less transaction cost and subsequently measured at amortised cost.

Interest paid on the deposits is expensed as finance cost in profit or loss' during the period in which the Group has the obligation to pay the interest. Deposits are derecognised when repaid to customers on demand or used to offset amount(s) due from the customer as agreed in the contract.

2.4.11 Fair value measurement

The Group measures financial instruments and non-financial assets such as investment properties at fair value at each reporting date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 3.5.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each year.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted equity instruments, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the audit committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. The management, in conjunction with the Group's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date, without any deduction for transaction costs.

For units in unit trusts and shares in open ended investment companies, fair value is determined by reference to published bid values in an active market.

For other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist and other relevant valuation models.

Their fair value is determined using a valuation model that has been tested against prices or inputs to actual market transactions and using the Group's best estimate of the most appropriate model assumptions.

For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate used is a market-related rate for a similar instrument. The use of different pricing models and assumptions could produce materially different estimates of fair values.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

2.4.12 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's 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. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognized in the profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the asset's or CGU's recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the profit or loss unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually at 31 December, either individually or at the cash generating unit level, as appropriate and when circumstances indicate that the carrying value may be impaired.

2.4.13 Pledged assets

Financial assets transferred to external parties that do not qualify for de-recognition are reclassified in the statement of financial position from financial assets to pledged assets, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms.

Initial recognition of pledged assets is at fair value, whilst subsequent measurement is based on the classification and measurement of the financial asset in accordance with IFRS 9.

2.4.14 Trade receivables

Trade receivables (premium receivable) are initially recognized at fair value and subsequently measured at amortised cost less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

An allowance for impairment is made when there is objective evidence such as the probability of solvency or significant financial difficulties of the debtors that the Group will not be able to collect the amount due under the original terms of the invoice. Impaired debts are derecognized when they are assessed as uncollectible.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previous recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversed date. Any subsequent reversal of an impairment loss is recognized in the profit or loss.

2.4.15 Reinsurance

2.4.15.1 Reinsurance ceded to reinsurance counterparties

The Group cedes insurance risk in the normal course of business for most of its businesses. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Group may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Group will receive from the reinsurer. The impairment loss is recorded in the statement of profit or loss.

Gains or losses on buying reinsurance are recognised in the statement of profit or loss immediately at the date of purchase and are not amortised. Ceded reinsurance arrangements do not relieve the Group from its obligations to policyholders.

2.4.15.2 Prepaid reinsurance

Prepaid reinsurance are those proportions of premiums written in a year that relate to periods of risk after the statement of financial position date and is reported under reinsurance assets in the statement of financial position. Prepaid reinsurance premiums are deferred over the term of the underlying direct insurance policies for risks-attaching contracts and over the term of the reinsurance contract for losses-occurring contracts.

2.4.16 Other receivables and prepayment

Other receivables are made up of prepayments and other amounts due from parties which are not directly linked to insurance or investment contracts. Except prepayment and other receivables that are not financial assets, these are measured at amortised costs. Discounting is omitted where the effect of discounting is immaterial.

2.4.17 Deferred expenses

Deferred acquisition costs (DAC)

Those direct and indirect costs incurred during the financial period arising from the acquiring or renewing of insurance contracts are deferred to the extent that these costs are recoverable out of future premiums. All other acquisition costs are recognized as an expense when incurred.

Subsequent to initial recognition, DAC for general insurance are amortized over the period in which the related revenues are earned. The DAC asset for life insurance is amortised over the expected life of the contracts as a constant percentage of expected premiums. The deferred acquisition costs for reinsurers are amortised in the same manner as the underlying asset amortisation and is recorded in the statement of profit or loss.

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 amortization period and are treated as a change in an accounting estimate.

An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value, an impairment loss is recognized in the profit or loss. DAC are also considered in the liability adequacy test for each reporting period.

DAC are derecognized when the related contracts are either settled or disposed of.

2.4.18 Inventories and work in progress

The Group recognises property as inventory under the following circumstances:

- property purchased for the specific purpose of resale;
- property constructed for the specific purpose of resale (work in progress under the scope of IFRS 15, "Revenue'); and
- property transferred from investment property to inventories. This is permitted when the Group commences the property's development with a view to sale.

They are valued at the lower of cost and net realisable value. Cost comprises direct materials and, where appropriate, labour and production overheads that have been incurred in bringing the inventories and work in progress to their present location and condition.

Cost is determined using weighted average cost. Net realisable value represents the estimated selling price less estimated costs to completion and costs to be incurred in marketing, selling and distribution.

2.4.19 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

If any, the Group's lease liabilities are included in Interest-bearing loans and borrowings

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of buildings and space (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of buildings that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.4.20 Asset held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and: Represents a separate major line of business or geographical area of operations, Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

2.4.21 Investment properties

Investment properties held for rental income and capital appreciation 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 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 the profit or loss in the year in which they arise.

Fair values are evaluated annually by an accredited external, independent valuer, applying a valuation model.

Investment properties are derecognised either when 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. Any gains or losses on the retirement or disposal of an investment property are recognised in the profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use evidenced by the end of owner-occupation, commencement of an operating lease to another party or completion of construction or development. 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. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of the change in use.

2.4.22 Investments in subsidiaries

Investments in subsidiaries are carried in the separate statement of financial position at cost less allowance for impairment losses. Where, there has been impairment in the value of investments in subsidiaries, the loss is recognised as an expense in the period in which the impairment is identified. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss account.

2.4.23 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite.

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. The amortisation period (five years) and the amortisation method (straight line) 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 profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition 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 profit or loss when the asset is derecognized.

2.4.24 Property, plant and equipment

Property and equipment (excluding building) is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment losses. Replacement or major inspection costs are capitalized when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Building is measured at revalued amount less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed at least once in every 5 years or when a major improvement is carried out to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is recorded in other comprehensive income and hence, credited to the asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit or loss, in which case, the increase is recognised in the profit or loss. A revaluation deficit is recognized in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Land is not depreciated. Depreciation on property, plant and equipment is calculated using the straight-line method to allocate the cost less the residual values over the estimated useful lives as follows;

Building	2%
Leasehold improvements	20%
Plant and machinery	20%
Motor vehicles	25%
Furniture, fittings and equipment	20%
Leasehold building	over the remainder of the life of the lease

The assets' residual values, and useful lives and method of depreciation are reviewed and adjusted, if appropriate, at each financial year end and adjusted prospectively, if appropriate.

Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. Impairment losses are recognised in the profit or loss as an expense.

An item of property and equipment is derecognized upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognized.

2.4.25 Statutory deposit

Statutory deposit represents fixed deposit with the Central Bank of Nigeria in accordance with section 10(3) of the Insurance Act, 2003. The deposit is recognised at cost in the statement of financial position being 10% of the statutory minimum capital requirement of N3 billion for General insurance business and of N2 billion for life business. Interest income on the deposit is recognised in the statement of profit or loss in the period the interest is earned.

2.4.26 Deposit for shares

Deposit for shares are amounts that the Company has placed with (asset) or received from subsidiary, associate or another company (liability) for the ultimate purpose of equity investment in the relevant company for which relevant regulatory formalities have not been completed at the reporting date. Deposits for shares are carried at cost less accumulated impairment losses, if any.

2.4.27 Insurance contracts

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts where a party (the policy holder) transfers significant insurance risk to another party (insurer) and the latter agrees to compensate the policyholder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder, or other beneficiary. Such contracts may also transfer financial risk when the insurer issues financial instruments with a discretionary participation feature. These are computed in compliance with the provisions of Sections 20, 21, and 22 of the Insurance Act 2003 as follows:

2.4.27.1 General insurance contracts
These contracts are accident and casualty and property insurance contracts. Accident and casualty insurance contracts protect the Group's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability). Property insurance contracts mainly compensate the Group's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

(i) Reserves for unearned premium
In compliance with Section 20 (1) (a) of Insurance Act 2003, the reserve for unearned premium is calculated on a time apportionment basis in respect of the risks accepted during the year.

(ii) Reserves for outstanding claims
The reserve for outstanding claims is maintained at the total amount of outstanding claims incurred and reported plus claims incurred but not reported ("IBNR") as at the reporting date. The IBNR is based on the liability adequacy test.

2.4.27.2 Life business
These contracts insure events associated with human life (for example, death or survival). These are divided into the individual life, group life and annuity contracts.

Individual life contracts are usually long-term insurance contracts and span over one year while the group life insurance contracts usually cover a period of 12 months. A liability for contractual benefits that are expected to be incurred in the future when the premiums are recognised. The liability is determined as the sum of the expected discounted value of the benefit payments and the future administration expenses that are directly related to the contract, less the expected discounted value of the theoretical premiums that would be required to meet the benefits and administration expenses based on the valuation assumptions used. The liability is based on assumptions as to mortality, persistence, maintenance expenses and investment income that are established at the time the contract is issued.

2.4.27.3 Annuity contracts
These contracts insure customers from consequences of events that would affect the ability of the customers to maintain their current level of income. There are no maturity or surrender benefits. The annuity contracts are fixed annuity plans. Policy holders make a lump sum payment recognised as part of premium in the period when the payment was made. Constant and regular payments are made to annuitants based on terms and conditions agreed at the inception of the contract and throughout the life of the annuitants. The annuity funds are invested in long term government bonds and reasonable money markets instruments to meet up with the payment of monthly/quarterly annuity payments. The annuity funds liability is actuarially determined based on assumptions as to mortality, persistence, maintenance expenses and investment income that are established at the time the contract is issued.

(I). Life fund
This is made up of net liabilities on policies in force as computed by the actuaries at the time of the actuarial valuation.

Liability adequacy test
At each end of the reporting period, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related DAC assets. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately charged to profit or loss initially by writing off DAC and by subsequently establishing a provision for losses arising from liability adequacy tests "the unexpired risk provision".

2.4.28 Investment contracts
Investment contract liabilities are recognised when contracts are entered into and premiums are charged. These liabilities are initially recognised at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition, the investment contract liabilities are measured at fair value through profit or loss.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the statement of financial position and are not recognised as gross premium in the statement of profit or loss.

The liability is derecognised when the contract expires, is discharged or is cancelled. For a contract that can be cancelled by the policyholder, the fair value of the contract cannot be less than the surrender value.

When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position as described above.

2.4.29 Deferred revenue

Rental income
Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in investment income.

Reinsurance commission
This relates to commissions receivable on outwards reinsurance contracts which are deferred and amortized on a straight-line basis over the term of the expected premiums payable.

2.4.30 Taxes

2.3.30.1 Current income tax
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current income tax assets and liabilities also include adjustments for tax expected to be payable or recoverable in respect of previous periods. Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the profit or loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate tax/back duty assessments are recognized when assessed and agreed to by the Group with the Tax authorities, or when appealed, upon receipt of the results of the appeal.

2.4.30.2 Deferred tax
Deferred tax is provided using the liability method in respect of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4.31 Provisions

General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within Group's control. Contingent liabilities are not recognized in the financial statements but are disclosed.

Onerous contracts

A provision is recognized for onerous contracts in which the unavoidable costs of meeting the obligations under the contract exceed the expected economic benefits expected to be received under it. The unavoidable costs reflect the least net cost of exiting the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

2.4.32 Trade payable

Trade payable (Insurance payables) are recognised when due and measured on initial recognition at fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the EIR method. Discounting is omitted where the effect of discounting is immaterial.

2.4.33 Equity

2.4.33.1 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are recognised in equity, net of tax as a deduction from the proceeds. Where any member of the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is reported as a separate component of equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

2.4.33.2 Treasury shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury shares reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

2.4.33.3 Foreign currency translation reserve

The assets and liabilities of foreign operations are translated to Naira at closing functional currency rates at the reporting date. The income and expenses of foreign operations are translated to Naira at spot rates at the dates of the transactions. Foreign currency differences on the translation of foreign operations are recognized in other comprehensive income and accumulated in foreign currency translation reserves in the statement of financial position.

2.4.33.4 Contingency reserve

Non-life business

In compliance with Section 22 (2) (b) of Insurance Act 2003, the contingency reserve is credited with the greater of 3% of total premium or 20% of net profit. This shall accumulate until it reaches the amount greater of minimum paid-up capital or 50 percent of net premium.

Life business

In compliance with Section 22 (1) (b) of Insurance Act 2003, the contingency reserve is credited with the higher of 1% of gross premium or 10% of net profit.

2.4.33.5 Revaluation reserve

Revaluation reserve represents the fair value differences on the revaluation of items of property, plant and equipment as at the statement of financial position date. If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in revaluation reserve. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an assets carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss, however, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in respect of an item of property, plant and equipment is transferred to retained earnings when the asset is derecognised. This involves transferring the whole of the surplus when the asset is retired or disposed. The amount of the surplus transferred is the difference between depreciation based on the revalued carrying amount of the asset and the depreciation based on the asset's original cost. Transfers from revaluation reserve to retained earnings are not made through profit or loss.

2.4.33.6 Fair Value Reserve

Fair value reserve represents increases or decreases in fair value of equity instruments measured at FVOCI reported directly in other comprehensive income. Gains and losses on these equity instruments are never recycled to profit or loss. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

2.4.34 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period excluding treasury shares held by the Company.

Diluted earnings per share amounts are calculated by dividing the net profit by the weighted number of ordinary shares outstanding during the year plus the weighted number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

2.4.35 Retirement obligations and Employee benefits
The Group operates the following contribution and benefit schemes for its employees:

2.4.35.1 Defined contribution pension scheme
The Group operates a defined contributory pension scheme for eligible employees. Company contributes 10% of the employees' Basic, Housing and Transport allowances in line with the provisions of the Pension Reform Act 2014. The Company pays the contributions to a pension fund administrator. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.4.35.2 Short-term benefits
Wages, salaries, annual leave, bonuses and non-monetary benefits are recognised as employee benefit expenses in the statement of profit or loss and paid in arrears when the associated services are rendered by the employees of the Company.

2.4.36 Changes in accounting policy and disclosures

2.4.36.1. New and amended standards that are issued and effective
In these financial statements, the Group has applied the following standards that are issued and effective

2.4.36.1.1 Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The objective of the second phase of the Board's project was to assist entities in providing useful information about the effects of the transition to alternative benchmark rates and support preparers in applying the requirements of IFRS Standards when changes are made to contractual cash flows or hedging relationships as a result of the transition to an alternative benchmark interest rate. The amendments affect the following key areas: changes in the basis for determining the contractual cash flows as a result of benchmark interest rate reform, hedge accounting and disclosures. The amendment did not have an impact on the financial statements of the Group.

2.4.36.1.2 Amendments to IFRS 16 Leasing – Covid-19 Related Rent Concessions
In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16). The pronouncement amended IFRS 16 Leases to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021.

Since lessors continue to grant COVID-19-related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the IASB decided to look into whether to extend the time period over which the practical expedient is available for use.

The application of the revised standard does not have impact on the financial statements of the Group for the period under review.

2.4.36.2 New and amended standards that are not yet effective
A number of new standards, amendment to standards and interpretations are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Group has not applied the following new or amended standards in preparing these financial statements. The Group does not plan to early adopt these standards. These will be adopted in the period that they become mandatory and applicable unless otherwise indicated. Those Standards, Amendments to Standards, and interpretations which we considered may be relevant to the Company are set below;

2.4.36.2.1 IFRS 17 – Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, which replaces IFRS 4 Insurance Contracts.

In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies for measurement purposes, IFRS 17 provides a comprehensive model (the general model) for insurance contracts, supplemented by the variable fee approach for contracts with direct participation features that are substantially investment-related service contracts, and the premium allocation approach mainly for short- duration which typically applies to certain non-life insurance contracts.

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 Group 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 main features of the new accounting model for insurance contracts are, as follows:

- The measurement of the present value of future cash flows, incorporating an explicit risk adjustment, re-measured every reporting period (the fulfilment cash flows);
- A Contractual Service Margin (CSM) that is equal and opposite to any day one gain in the fulfilment cashflows of a group of contracts. The CSM represents the unearned profitability of the insurance contracts and is recognised in profit or loss over the service period (i.e., coverage period);
- Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognised in profit or loss over the remaining contractual service period;
- The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice;
- The recognition of insurance revenue and insurance service expenses in the statement of comprehensive income based on the concept of services provided during the period;
- Amounts that the policyholder will always receive, regardless of whether an insured event happens (non-distinct investment components) are not presented in the income statement, but are recognised directly on the balance sheet;
- Insurance services results (earned revenue less incurred claims) are presented separately from the insurance finance income or expense;
- Extensive disclosures to provide information on the recognised amounts from insurance contracts and the nature and extent of risks arising from these contracts.

IFRS 17 is effective for annual reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. Retrospective application is required. However, if full retrospective application for a group of insurance contracts is impracticable, then the entity is required to choose either a modified retrospective approach or a fair value approach.

The Group started a project to implement IFRS 17 and has been performing a high-level impact assessment of IFRS 17. The Group expects that the new standard will result in an important change to the accounting policies for insurance contract liabilities of the Group and is likely to have a significant impact on profit and total equity together with presentation and disclosure.

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

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognized in full.

Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. The amendments are not expected to have an impact on the financial statements of the Group.

2.4.36.2.3 Reference to the Conceptual Framework – Amendment to IFRS 3

On May 14, 2020, the IASB published Reference to the Conceptual Framework (Amendments to IFRS 3) with amendments to IFRS 3, Business Combinations that update an outdated reference in IFRS 3 without significantly changing its requirements. IFRS 3, Business Combinations specifies how an entity should account for the assets and liabilities it acquires when it obtains control of a business. IFRS 3 requires an entity to refer to the Conceptual Framework for Financial Reporting (Conceptual Framework) to determine what constitutes an asset or a liability.

Originally, IFRS 3 required an entity to refer to the version of the Conceptual Framework that existed when IFRS 3 was developed. The purpose of this project was to update IFRS 3 to require an entity to refer instead to a later version issued in March 2018.The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively. The amendments are not expected to have an impact on the financial statements of the Group.

2.4.36.2.4 Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16) amends the standard to prohibit 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.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendments are not expected to have an impact on the financial statements of the Group.

2.4.36.2.5 Onerous Contracts – Costs of Fulfilling a Contract – Amendment to IAS 37

IAS 37, Provisions, Contingent Liabilities and Contingent Assets did not specify which costs to include in estimating the cost of fulfilling a contract for the purpose of assessing whether that contract is onerous. Research conducted by the IFRS Interpretations Committee indicated that differing views on which costs to include could lead to material differences in the financial statements of entities that enter into some types of contracts.

In this project, the International Accounting Standards Board (IASB) developed amendments to IAS 37 to clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The Board issued the amendments in May 2021. The amendments are effective for contracts for which an entity has not yet fulfilled all its obligations on or after January 1, 2022 with earlier application being permitted. However, this has been critically evaluated and the Group has come to a conclusion that this does not in any way would impact on the financial statements of the Group.

2.4.36.2.6 IFRS 9: Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively. The amendments are not expected to have an impact on the financial statements of the Group.

2.4.36.2.7 Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

On 23 January 2021, the International Accounting Standards Board (IASB or the Board) issued amendments to IAS 1 Presentation of Financial Statements (the amendments) to clarify the requirements for classifying liabilities as current or non-current. More specifically:

(1) The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists.

(2) Management expectations about events after the balance sheet date, for example on whether a covenant will be breached, or whether early settlement will take place, are not relevant.

(3) The amendments clarify the situations that are considered settlement of a liability. The new guidance will be effective for annual periods starting on or after 1 January 2023.

2.3.36.8 Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group.

2.3.36.9 Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non- mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

2.3.36.10 Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

The amendment will be effective for annual periods beginning on or after 1 January 2023. The Group is currently assessing the impact on its financials.

2.3.36.11 IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

An entity applies the amendment for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted. These amendments will currently have no impact on the financial statement of the Group.

2.4.37 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future reporting periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

1. Insurance risk management Note 3.1.1
2. Financial risk management and policies Note 3.1.2
3. Capital management Note 3.2

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Property lease classification - Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognise in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Group based its assumption and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Life insurance contract liabilities

Life insurance liabilities are recognised when contracts are entered into and premiums are charged. These liabilities are measured using the net premium method. The liability is determined as the sum of the discounted value of the expected future benefits, claims handling and policy administration expenses, policyholder options and guarantees and investment income from assets backing such liabilities, which are directly related to the contract, less the discounted value of the expected premiums that would be required to meet the future cash outflows based on the valuation assumptions used. The liability is either based on current assumptions or calculated using the assumptions established at the time the contract was issued, in which case, a margin for risk and adverse deviation is generally included. A separate reserve for longevity may be established and included in the measurement of the liability. Furthermore, the liability for life insurance contracts comprises the provision for unearned premiums and premium deficiency, as well as for claims outstanding, which includes an estimate of the incurred claims that have not yet been reported to the Group. Adjustments to the liabilities at each reporting date are recorded in the statement of profit or loss in 'Gross change in contract liabilities'. Profits originated from margins for adverse deviations on run-off contracts are recognised in the statement of profit or loss over the life of the contract, whereas losses are fully recognised in the statement of profit or loss during the first year of run-off. The liability is derecognised when the contract expires, is discharged or cancelled.

The estimation of the ultimate liability arising from claims made under insurance contracts is the Group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the company will ultimately pay for such claims. The uncertainty arises because all events affecting the ultimate settlement of the claims have not taken place and may not take place for some time.

Changes in the estimate of the provision may be caused by receipt of additional claim information, changes in judicial interpretation of contract, or significant changes in severity or frequency of claims from historical records. The estimates are based on the company's historical data and industry experience. The ultimate claims liability computation is subjected to a liability adequacy test by an actuarial consultant using actuarial models.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

Fair value investment property

The valuation of investment properties is based on the price for which comparable land and properties are being exchanged hands or are being marketed for sale. Therefore, the market-approach Method of Valuation. By nature, detailed information on concluded transactions is difficult to come by. The past transactions and recent adverts are being relied upon in deriving the value of the subject properties. At least, eight properties will be analysed and compared with the subject property.

Impairment losses on financial assets

The measurement of impairment losses both under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

The Group's internal credit grading model, which assigns PDs to the individual grades

- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

Fair value of financial instruments using valuation techniques

The Directors use their judgment in selecting an appropriate valuation technique. Where possible, financial instruments are marked at prices quoted in active markets. In the current market environment, such price information is typically not available for all instruments and the company uses valuation techniques to measure such instruments. These techniques use "market observable inputs" where available, derived from similar assets in similar and active markets, from recent transaction prices for comparable items or from other observable market data. For positions where observable reference data are not available for some or all parameters the company estimates the non-market observable inputs used in its valuation models.

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS

For the year ended 31 December 2021

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Gross premium written	4.1	29,299,247	19,983,843	13,794,276	9,207,506
Gross premium income	4.1	26,128,991	19,428,373	12,390,218	8,398,764
Premiums ceded to reinsurers	4.2	(3,673,726)	(3,349,341)	(2,709,943)	(2,262,009)
Net premium income	**4.3**	**22,455,265**	**16,079,032**	**9,680,275**	**6,136,755**
Fees and commission income	5	760,337	721,205	676,792	519,547
Net underwriting income		**23,215,602**	**16,800,237**	**10,357,067**	**6,656,302**
Net benefits and claims	6	10,805,690	7,995,711	4,657,566	3,556,150
Changes in life fund	35.1.2	850,885	192,942	–	–
Changes in annuity reserve	35.1.2	46,196	3,996	–	–
Underwriting expenses	7	6,447,918	4,931,501	3,514,575	2,147,094
Net underwriting expenses		**18,150,689**	**13,124,150**	**8,172,141**	**5,703,244**
Underwriting profit		**5,064,913**	**3,676,087**	**2,184,926**	**953,058**
Profit on investment contracts	8	397,679	416,303	–	–
Investment income	9	1,458,031	2,599,288	702,593	1,135,155
Net fair value (loss)/gain on assets at FVTPL	10	(5,596,216)	3,292,431	(1,463,467)	1,127,088
Other income	11	297,465	1,635,218	37,201	1,616,965
Impairment reversal/(loss) on financial assets	12	222,350	(921,635)	(9,109)	(86,123)
Employee benefit expenses	13	(2,036,556)	(1,917,481)	(1,034,847)	(989,293)
Management expenses	14	(4,756,422)	(3,959,046)	(2,551,488)	(2,011,304)
Net foreign exchange (losses)/gains	15	(594,940)	212,241	(560,822)	149,869
Operating (loss)/profit		**(5,543,696)**	**5,033,406**	**(2,695,013)**	**1,895,415**
Finance costs	16	(142,081)	(23,351)	(110,612)	(13,088)
Finance income	17	95,711	31,970	–	–
(Loss)/profit before income tax		**(5,590,066)**	**5,042,025**	**(2,805,625)**	**1,882,327**
Income tax credit/(expense)	18	165,356	67,184	358,139	(19,471)
(Loss)/profit for the year		**(5,424,710)**	**5,109,209**	**(2,447,486)**	**1,862,856**
(Loss)/profit attributable to:					
Owners of the parent		(5,575,372)	5,131,816	(2,447,486)	1,862,856
Non-controlling interests		150,662	(22,607)	–	–
		(5,424,710)	**5,109,209**	**(2,447,486)**	**1,862,856**
(Loss) / earnings per share:					
(Loss)/earnings per share for (loss)/profit attributable to equity holders of parent					
Basic and diluted (kobo)	19	(36)	46	(16)	17

The accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
(Loss) / profit for the year		(5,424,710)	5,109,209	(2,447,486)	1,862,856
Other comprehensive income (net of tax):					
Items that may be reclassified to the profit or loss account in subsequent periods:					
Exchange differences on translation of foreign operations		371,911	478,319	–	–
		371,911	478,319	–	–
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)					
Net revaluation gains/(losses) on equity instrument at FVOCI	21.1	319,208	(205,326)	19,013	2,166
		319,208	(205,326)	19,013	2,166
Total other comprehensive income for the year, net of tax		691,119	272,993	19,013	2,166
Total comprehensive (loss)/Income for the year, net of tax		**(4,733,591)**	**5,382,202**	**(2,428,473)**	**1,865,022**
Total comprehensive (loss)/income attributable to:					
Owners of the parent		(4,866,682)	5,149,271	(2,428,473)	1,865,022
Non-controlling interests	51	133,090	232,931	–	–
		(4,733,591)	5,382,202	(2,428,473)	1,865,022

The accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
as at 31 December 2021

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
ASSETS					
Cash and cash equivalents	20	14,164,438	11,420,144	2,719,127	4,761,993
Equity instruments at fair value through OCI	21.1	459,849	140,641	79,021	60,008
Financial assets at fair value through profit or loss	21.2	3,239,653	21,899,279	1,499,610	5,879,688
Financial assets at amortised cost	21.3	47,711,125	31,673,998	11,195,891	7,876,601
Financial assets held for trading pledged as collateral	22	137,283	140,648	137,283	140,648
Trade receivables	23	425,908	348,617	57,882	182,138
Reinsurance assets	24	4,656,470	4,311,840	2,386,324	1,885,227
Other receivables and prepayments	25	1,002,084	872,455	510,551	296,349
Deferred acquisition costs	26	950,020	587,978	655,070	432,422
Finance lease receivables	27	2,340	657	2,340	657
Inventories	28	44,299	169,799	–	–
Investment properties	29	6,091,000	6,721,000	56,000	56,000
Intangible assets	31	333,980	46,853	78,180	12,706
Property, plant and equipment	32	3,483,414	3,423,421	2,137,229	2,219,816
Investments in subsidiaries	30	–	–	6,120,000	6,120,000
Statutory deposit	33	500,000	500,000	300,000	300,000
Deferred tax assets	34	578,480	612,077	94,288	91,556
Total assets		**83,780,343**	**82,869,407**	**28,028,796**	**30,315,809**
LIABILITIES					
Insurance contract liabilities	35	23,464,143	17,572,283	9,957,655	7,428,602
Investment contract liabilities	36	30,178,616	28,447,267	–	–
Trade payables	37	2,145,731	2,127,006	701,977	756,603
Other liabilities	38	2,600,475	3,409,284	1,780,886	1,954,097
Deposit liabilities	39	1,327,465	301,618	–	–
Borrowings	40	2,338,331	3,890,130	2,338,331	3,890,130
Current income tax liabilities	41	485,119	904,704	228,456	616,987
Deferred tax liabilities	42.1	1,364,586	1,528,578	519,212	659,568
Total liabilities		**63,904,466**	**58,180,870**	**15,526,517**	**15,305,987**
EQUITY					
Share capital	43.2	10,030,811	5,586,367	10,030,811	5,586,367
Share Premium	43.3	276,486	–	276,486	–
Treasury shares	44	(250)	(250)	(250)	(250)
Deposit for Shares	45	–	4,800,000	–	4,800,000
Foreign currency translation reserve	46	1,551,085	1,161,602	–	–
Contingency reserve	47	4,702,054	4,172,059	3,531,871	3,118,041
Fair value reserve	48	(559,729)	(878,937)	(114,887)	(133,900)
Revaluation reserve	49	1,520,131	1,520,131	1,339,395	1,339,395
Retained Earnings/ (accumulated losses)	50	888,420	6,993,787	(2,561,147)	300,169
Total shareholders' fund		**18,409,008**	**23,354,759**	**12,502,279**	**15,009,822**

The accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Total equity attributable to the:					
Owners of the parent		18,409,008	23,354,759	12,502,279	15,009,822
Non-controlling interests in equity	51	1,466,869	1,333,778	–	–
Total equity		**19,875,877**	**24,688,537**	**12,502,279**	**15,009,822**
Total liabilities and equity		**83,780,343**	**82,869,407**	**28,028,796**	**30,315,809**

The consolidated and separate financial statements and accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf by:

Dr. Akin Ogunbiyi
FRC/2013/CIIN/00000003114
Chairman

Mr. Olufemi Asenuga
FRC/2013/CIIN/00000003104
Managing Director/ CEO

Mr. Abayomi Ogunwo
FRC/2015/ICAN/00000011225
Chief Finance Officer

The accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

Group — **Attributable to equity holders of the Company**

	Notes	Share capital	Share premium	Treasury shares	Deposit for shares	Foreign currency translation reserve	Contingency reserve	Fair value reserve	Revaluation reserve	Retained earnings	Total	Non - controlling interests	Total equity
		₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
As at 1 January 2020													
Total comprehensive income for the year:		5,586,367	–	(250)	–	938,821	3,462,493	(673,611)	1,520,131	2,598,898	13,432,849	1,100,847	14,533,696
Profit for the year		–	–	–		–	–	–	–	5,131,816	5,131,816	(22,607)	5,109,209
Other comprehensive income		–	–	–		222,781	–	(205,326)	–	-	17,455	255,538	272,993
Total comprehensive income for the year, net of tax		–	–	–	–	222,781	–	(205,326)	–	5,131,816	5,149,272	232,931	5,382,202
Transactions with owners of equity													
Deposit for shares	43.2	–	–	–	4,800,000	–	–	–	–	–	4,800,000	–	4,800,000
Share issue expenses		–	–	–	–	–	–	–	–	(116,558)	(116,558)	–	(116,558)
Unclaimed dividends		–	–	–	–	–	–	–	–	89,197	89,197	–	89,197
Transfer to contingency reserve	47	–	–	–	–	–	709,566	–	–	(709,566)	–	–	–
Total transactions with owners of equity		–	–	–	4,800,000	-	709,566	-	-	(736,927)	4,772,639	–	4,772,639
As at 31 December 2020		**5,586,367**	–	**(250)**	**4,800,000**	**1,161,602**	**4,172,059**	**(878,937)**	**1,520,131**	**6,993,787**	**23,354,760**	**1,333,778**	**24,688,537**
As at 1 January 2021		**5,586,367**	–	**(250)**	**4,800,000**	**1,161,602**	**4,172,059**	**(878,937)**	**1,520,131**	**6,993,787**	**23,354,760**	**1,333,778**	**24,688,537**
Total comprehensive income for the year:													
Loss for the year		–	–	–	–	–	–	–	–	(5,575,372)	(5,575,372)	150,662	(5,424,710)
Other comprehensive income		–	–	–	–	389,483	–	319,208	–	–	708,691	(17,572)	691,119
Total comprehensive income for the year, net of tax		–	–	–	–	389,483	–	319,208	–	(5,575,372)	(4,866,682)	133,090	(4,733,591)
Transactions with owners of equity													
Private placement issue	43.2	4,444,444	355,556	–	(4,800,000)	–	–	–	–	–	–	–	–
Private placement issue expenses		–	(79,070)	–	–	–	–	–	–	–	(79,070)	–	(79,070)
Transfer to contingency reserve	47	–	–	–	–	–	529,995	–	–	(529,995)	–	–	–
Total transactions with owners of equity		4,444,444	276,486	–	(4,800,000)	–	529,995	–	–	(529,995)	(79,070)	–	(79,070)
As at 31 December 2021		**10,030,811**	**276,486**	**(250)**	–	**1,551,085**	**4,702,054**	**(559,729)**	**1,520,131**	**888,420**	**18,409,008**	**1,466,869**	**19,875,877**

The accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

Company

	Notes	Share capital ₦'000	Share premium ₦'000	Treasury shares ₦'000	Deposit for shares ₦'000	Contingency reserve ₦'000	Fair value reserve ₦'000	Revaluation reserve ₦'000	Retained earnings/ (Accumulated losses) ₦'000	Total ₦'000
As at 1 January 2020		5,586,367	-	(250)	-	2,745,470	(136,066)	1,339,395	(1,279,313)	8,255,603
Total comprehensive income for the year:										
Profit for the year		-	-	-	-	-	-	-	1,862,856	1,862,856
Other comprehensive income		-	-	-	-	-	2,166	-	-	2,166
Total comprehensive income for the year, net of tax		-	-	-	-	-	2,166	-	1,862,856	1,865,022
Transactions with owners of equity										
Deposit for Shares	43.2	-	-	-	4,800,000	-	-	-	-	4,800,000
Unclaimed dividends		-	-	-	-	-		-	89,197	89,197
Transfer to contingency reserve	47	-	-	-	-	372,571	-	-	(372,571)	-
Total transactions with owners of equity	-	-	-	-	4,800,000	372,571	-	-	(283,374)	4,889,197
As at 31 December 2020		**5,586,367**	**-**	**(250)**	**4,800,000**	**3,118,041**	**(133,900)**	**1,339,395**	**300,169**	**15,009,822**
As at 1 January 2021		**5,586,367**	**-**	**(250)**	**4,800,000**	**3,118,041**	**(133,900)**	**1,339,395**	**300,169**	**15,009,822**
Total comprehensive income for the year:										
Loss for the year		-	-	-	-	-	-	-	(2,447,486)	(2,447,486)
Other comprehensive income		-	-	-	-	-	19,013	-	-	19,013
Total comprehensive income for the year, net of tax		-	-	-	-	-	19,013	-	(2,447,486)	(2,428,473)
Transactions with owners of equity										
Private placement issue	43.2	4,444,444	355,556	-	(4,800,000)	-	-	-	-	-
Private placement issue expenses		-	(79,070)	-	-	-	-	-	-	(79,070)
Transfer to contingency reserve	47	-	-	-	-	413,830	-	-	(413,830)	-
Total transactions with owners of equity		4,444,444	276,486	-	(4,800,000)	413,830	-	-	(413,830)	(79,070)
As at 31 December 2021		**10,030,811**	**276,486**	**(250)**	**-**	**3,531,871**	**(114,887)**	**1,339,395**	**(2,561,147)**	**12,502,279**

The accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
For the year ended 31 December 2021

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Cash flows from operating activities					
Cash received from insurance contract policy holders		29,136,512	19,733,489	13,833,088	8,876,400
Cash received from investment contract policy holders		13,576,291	11,568,246	-	-
Cash withdrawal by investment contract policy holders	36	(13,963,379)	(12,289,060)	-	-
Additions to deposit for premium	37.1	828,777	752,104	155,035	109,100
Commission received		778,186	734,975	693,171	543,855
Reinsurance paid		(4,009,123)	(3,017,264)	(3,093,878)	(2,258,423)
Claims paid	6	(11,950,632)	(7,954,688)	(5,531,210)	(3,146,778)
Claims recovered from reinsurers	24.2	3,151,824	1,866,206	1,912,911	601,081
Commission paid		(4,930,120)	(3,876,423)	(2,195,955)	(1,589,178)
Payments to employees	13	(2,036,556)	(1,917,481)	(1,034,847)	(989,293)
Maintenance expenses	7	(3,430,511)	(2,282,803)	(1,755,119)	(728,539)
Other cash received		393,176	91,385	37,201	41,162
Cash paid to brokers, suppliers and other providers of services		(3,441,949)	(787,706)	(2,757,583)	(933,038)
Income tax paid	41	(445,607)	(312,689)	(173,479)	(120,118)
Net cash flows from operating activities	**52**	**3,656,890**	**2,308,291**	**89,335**	**406,231**
Investing activities:					
Purchase of intangible assets	31	(403,378)	(11,090)	(71,156)	-
Purchase of property, plants and equipments	32	(240,110)	(190,547)	(102,273)	(74,825)
Proceeds from sale of properties, plant and equipment		2,881	8,145	2,240	2,950
Investment income received		1,725,281	3,041,724	459,056	941,954
Dividend Income	9.1	2,030	19,846	2,030	16,066
Receipts on finance lease recievables	27.1	38,116	3,428	38,116	3,428
Purchase of financial instruments at fair value through profit or loss	21.2.1.1	-	(10,344,408)	-	(1,220,320)
Proceed from sale of financial instruments at fair value through profit or loss	21.2.1.1	13,200,330	-	2,969,263	-
Purchase of financial assets at amortised cost		(51,717,031)	(19,280,200)	(11,447,675)	(8,020,786)
Redemption of financial assets at amortised cost		38,317,172	23,921,709	8,320,501	5,730,500
Proceeds from sale of investment properties		498,533	110,000	-	-
Investment in subsidiary	30	-	-	-	(120,000)
Net cash flows from/(used in) investing activities	**52**	**1,423,825**	**(2,721,394)**	**170,102**	**(2,741,033)**
Financing activities:					
Deposit for shares	45	-	4,800,000	-	4,800,000
Issue cost of shares	45	(79,070)	-	(79,070)	-
Repayments of borrowings	40.1	(2,050,000)	-	(2,050,000)	-
Net cash flows (used in)/from financing activities		**(2,129,070)**	**4,800,000**	**(2,129,070)**	**4,800,000**
Net increase/(decrease) in cash and cash equivalents		**2,951,645**	**4,386,897**	**(1,869,633)**	**2,465,197**
Effects of exchange rate changes on cash and cash equivalents		(207,351)	212,241	(173,233)	149,869
Cash and cash equivalents as at 1 January		11,420,144	6,821,006	4,761,993	2,146,927
Cash and cash equivalents as at 31 December	**20**	**14,164,438**	**11,420,144**	**2,719,127**	**4,761,993**

The accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

3.1 Management of Insurance and financial risks

3.1.1 Insurance risks management

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long–term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Group purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non–proportional basis. The majority of proportional reinsurance is quota–share reinsurance which is taken out to reduce the overall exposure of the Group to certain classes of business. Non–proportional reinsurance is primarily excess–of–loss reinsurance designed to mitigate the Group's net exposure to catastrophe losses. Retention limits for the excess–of–loss reinsurance vary by product line and territory.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

(a) Life insurance contracts

Life insurance contracts offered by the Group include: whole life, term assurance, annuities plan, anticipated endowment insurance, mortgage protection, Individual Savings and Protection, Child Education, Mutual Education Guarantee Assurance and Keyman assurance policy.

Term Assurance is a form of Life insurance policy that pays out a lump sum (Sum Assured) in the event of the death of the policy holder. The insurance can be extended to cover permanent disability and medical expenses insurred as a result of an accident.

Mortgage Protection policy is a reducing term assurance scheme which guarantees the payment of balance outstanding in respect of the loan given by a financial institution (Mortgage) to a Life Assured (Mortgagor) should he die before the loan is fully repaid.

Endowment assurance policy pays to the beneficiaries of a deceased assured compensation which is equal to the Sum Assured selected by him/her from the commencement of the policy. It also guarantees that the capital sum (Sum Assured) all the accrued reversionaty bonuses over the years be paid in the event that he/she survives till the end of the insurance year.

Individual Savings and Protection Plan is an anti-inflationary and income protection plan designed to assist all categories of individual cultivate a consistent savings culture and provide for their beneficiairies at death. A plan holder starts making a compulsory and regular savings for a number of years, which shall not be less than five years. Flexibility in the frequency of the premium payment is allowed.

Annuity Plan is a contract to pay a set amount (the annuity) every month or quarter while the annuitant (the person on whose life the contract depends) is still alive. Annuities are usually expressed in terms of the annual amount payable although in practive they can be payable monthly, quarterly, half-yearly or yearly. There are Immediate Annuity Plan, Deferred Annuity Plan, Guaranteed Annuity Plan, Annuity Certain and Increasing Annuity.

The main risks that the Group is exposed to are as follows:

- Mortality risk – risk of loss arising due to policyholder death/health experience being different than expected
- Longevity risk – risk of loss arising due to the annuitant living longer than expected
- Investment return risk – risk of loss arising from actual returns being different than expected
- Expense risk – risk of loss arising from expense experience being different than expected
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

These risks do not vary significantly in relation to the location of the risk insured by the Group, type of risk insured or by industry.

The Group's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography, the use of medical screening in order to ensure that pricing takes account of current health conditions and family medical history, regular review of actual claims experience and product pricing, as well as detailed claims' handling procedures. Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, it can impose deductibles and it has the right to reject the payment of fraudulent claims. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs. The Group further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the Group.

For contracts for which death or disability is the insured risk, the significant factors that could increase the overall frequency of claims are epidemics, widespread changes in lifestyle and natural disasters, resulting in earlier or more claims than expected. Group life reinsurance retention limits of ₦25,000,000 on any single life insured and on all high risk individuals insured are in place.

The insurance risk described above is also affected by the contract holder's right to pay reduced premiums or no future premiums, to terminate the contract completely or to exercise guaranteed annuity options. As a result, the amount of insurance risk is also subject to contract holder behaviour.

The following tables show the concentration of life insurance contract liabilities.

	GROUP 31 Dec-2021 Gross	GROUP 31 Dec-2021 Reinsurance	GROUP 31 Dec-2021 Net	COMPANY 31 Dec-2021 Gross	COMPANY 31 Dec-2021 Reinsurance	COMPANY 31 Dec-2021 Net
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Whole life and term assurance	11,588,928	1,586,918	10,002,010	-	-	-
Credit Life Assurance Scheme	432,456	-	432,456	-	-	-
Total	**12,021,384**	**1,586,918**	**10,434,466**	**-**	**-**	**-**

	GROUP 31 Dec-2020 Gross	GROUP 31 Dec-2020 Reinsurance	GROUP 31 Dec-2020 Net	COMPANY 31 Dec-2020 Gross	COMPANY 31 Dec-2020 Reinsurance	COMPANY 31 Dec-2020 Net
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Whole life and term assurance	9,051,613	1,862,233	7,189,380	-	-	-
Credit Life Assurance Scheme	67,802	-	67,802	-	-	-
Total	**9,119,415**	**1,862,233**	**7,257,182**	**-**	**-**	**-**

The geographical concentration of the Group's life insurance contract liabilities is shown below. The disclosure is based on the countries where the business is written. The analysis would not be materially different if based on the countries in which the counterparties are situated.

	GROUP 31 Dec-2021 Gross	GROUP 31 Dec-2021 Reinsurance	GROUP 31 Dec-2021 Net	COMPANY 31 Dec-2021 Gross	COMPANY 31 Dec-2021 Reinsurance	COMPANY 31 Dec-2021 Net
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Nigeria	11,722,189	1,586,918	10,135,271	-	-	-
Liberia	299,195	-	299,195	-	-	-
Total	**12,021,384**	**1,586,918**	**10,434,466**	**-**	**-**	**-**

	GROUP 31 Dec-2020 Gross	GROUP 31 Dec-2020 Reinsurance	GROUP 31 Dec-2020 Net	COMPANY 31 Dec-2020 Gross	COMPANY 31 Dec-2020 Reinsurance	COMPANY 31 Dec-2020 Net
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Nigeria	8,871,953	1,862,233	7,009,720	-	-	-
Liberia	247,462	-	247,462	-	-	-
Total	**9,119,415**	**1,862,233**	**7,257,182**	**-**	**-**	**-**

Key assumptions

Material judgement is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations.

The key assumptions to which the estimation of liabilities is particularly sensitive are, as follows:

► **Mortality and morbidity rates**

Assumptions are based on standard industry and national tables, according to the type of contract written and the territory in which the insured person resides. They reflect recent historical experience and are adjusted when appropriate to reflect the Group's own experiences. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type.

An increase in rates will lead to a larger number of claims (and claims could occur sooner than anticipated), which will increase the expenditure and reduce profits for the shareholders.

► **Longevity**

Assumptions are based on standard industry and national tables, adjusted when appropriate to reflect the Group's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type. An increase in longevity rates will lead to an increase in the number of annuity payments to be made, which will increase the expenditure and reduce profits for the shareholders.

► **Lapse and surrender rates**

Lapses relate to the termination of policies due to non–payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Group's experience and vary by product type, policy duration and sales trends.
An increase in lapse rates early in the life of the policy would tend to reduce profits for shareholders, but later increases are broadly neutral in effect.

► **Discount rate**

Life insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expenses directly related to the contract, less the discounted value of the expected theoretical premiums that would be required to meet these future cash outflows. Discount rates are based on current industry risk rates, adjusted for the Group's own risk exposure.

A decrease in the discount rate will increase the value of the insurance liability and therefore reduce profits for the shareholders.

Sensitivities

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period.

Life insurance contracts

31 Dec-2021		GROUP				COMPANY			
	Change in assumptions	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Mortality/morbidity rate	+10%	79,796	79,796	79,796	79,796	79,796	79,796	79,796	79,796
Longevity	+10%	(5,120)	(5,120)	(5,120)	(5,120)	(5,120)	(5,120)	(5,120)	(5,120)
Lapse and surrenders rate	+10%	(17,659)	(17,659)	(17,659)	(17,659)	(17,659)	(17,659)	(17,659)	(17,659)
Discount rate	+1%	(152,599)	(152,599)	(152,599)	(152,599)	(152,599)	(152,599)	(152,599)	(152,599)
Mortality/morbidity rate	-10%	(75,911)	(75,911)	(75,911)	(75,911)	(75,911)	(75,911)	(75,911)	(75,911)
Longevity	-10%	5,354	5,354	5,354	5,354	5,354	5,354	5,354	5,354
Lapse and surrenders rate	-10%	18,650	18,650	18,650	18,650	18,650	18,650	18,650	18,650
Discount rate	-1%	172,218	172,218	172,218	172,218	172,218	172,218	172,218	172,218

31 Dec-2020		GROUP				COMPANY			
	Change in assumptions	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Mortality/morbidity rate	+10%	35,862	35,862	35,862	35,862	35,862	35,862	35,862	35,862
Longevity	+10%	(2,386)	(2,386)	(2,386)	(2,386)	(2,386)	(2,386)	(2,386)	(2,386)
Lapse and surrenders rate	+10%	(207)	(207)	(207)	(207)	(207)	(207)	(207)	(207)
Discount rate	+1%	(96,745)	(96,745)	(96,745)	(96,745)	(96,745)	(96,745)	(96,745)	(96,745)
Mortality/morbidity rate	-10%	(41,390)	(41,390)	(41,390)	(41,390)	(41,390)	(41,390)	(41,390)	(41,390)
Longevity	-10%	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458
Lapse and surrenders rate	-10%	275	275	275	275	275	275	275	275
Discount rate	-1%	97,602	97,602	97,602	97,602	97,602	97,602	97,602	97,602

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(b) Non–life insurance contracts

The Group principally issues the following types of general insurance contracts: motor, general accident, Bond, Marine, Fire, Aviation and Oil and Gas. Risks under non–life insurance policies usually cover twelve months duration.

For general insurance contracts, the most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk.

These risks do not vary significantly in relation to the location of the risk insured by the Group, type of risk insured and by industry.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities.

The Group has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure material events.

The table below sets out the concentration of non–life insurance contract liabilities by type of contract:

31 Dec-2021	GROUP			COMPANY		
	Gross liabilities ₦'000	Reinsurance of liabilities ₦'000	Net liabilities ₦'000	Gross liabilities ₦'000	Reinsurance of liabilities ₦'000	Net liabilities ₦'000
Motor	3,832,175	132,498	3,699,677	2,347,069	132,498	2,214,571
Fire	1,690,834	359,227	1,331,607	1,690,834	359,227	1,331,607
General Accident	2,858,661	571,868	2,286,793	2,858,661	571,868	2,286,793
Marine	1,512,222	177,174	1,335,048	1,512,222	177,174	1,335,048
Aviation & Oil and Gas	1,548,868	1,145,558	403,310	1,548,869	1,145,558	403,311
	11,442,760	2,386,324	9,056,436	9,957,655	2,386,324	7,571,331

31 Dec-2020	GROUP			COMPANY		
	Gross liabilities	Reinsurance of liabilities	Net liabilities	Gross liabilities	Reinsurance of liabilities	Net liabilities
Motor	2,523,934	183,249	2,340,685	1,636,394	183,249	1,453,145
Fire	1,199,547	420,437	779,110	1,199,547	420,437	779,110
General Accident	2,462,450	962,862	1,499,588	2,325,727	962,862	1,362,865
Marine	981,723	213,993	767,730	981,723	213,993	767,730
Aviation & Oil and Gas	1,285,211	104,687	1,180,524	1,285,211	104,687	1,180,524
	8,452,865	1,885,227	6,567,638	7,428,602	1,885,227	5,543,375

Key assumptions

The principal assumption underlying the liability estimates is that the Group's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: one–off occurrence; changes in market factors such as public attitude to claiming: economic conditions: as well as internal factors such as portfolio mix, policy conditions and claims handling procedures.

Change in assumptions and sensitivity analysis

Sensitivity analyses are performed to test the variability around the reserves that are calculated at a best estimate level. The estimated claim amounts can never be an exact forecast of future claim amounts and therefore looking at how these claim amounts can vary can provide valuable information for business planning and risk appetite considerations.

A sensitivity analysis was done to determine how the IBNR reserve amount would change if we were to consider the 75th percentile as opposed to our best estimate figures included in reserve reviews as at 31 December 2021. The 75th percentile is a generally accepted level of prudency.

Results based on the Normal Distribution
We use the Normal distribution as a proxy for the distribution of the IBNR claims reserve with a mean equal to the best estimate reserve calculated for each class of business.

In order to determine the standard deviation of the distributions we equated the 0.5th percentile of the distributions to be equal to 0 thereby assuming that the IBNR reserve % cannot be negative. Through the use of the mean and the 0.5th percentile we were able to calculate the implied standard deviations for each class.

Change in assumptions and sensitivity analysis
The results based on fitting a Normal distribution to the best estimate IBNR reserves as at 31 December 2021 are as follows:

Class of Business	***Best estimate***		***75th percentile using Normal distribution***	
	Gross IBNR	***Net IBNR***	***Gross IBNR***	***Net IBNR***
	₦'000	**₦'000**	**₦'000**	**₦'000**
Fire	297,108	156,555	374,906	197,538
General Accident	438,310	247,103	553,084	311,829
Marine	364,468	185,897	459,905	234,597
Motor	211,048	180,093	266,312	227,244
Oil & Gas	364,065	364,065	459,397	459,397
Total	**1,674,999**	**1,133,713**	**2,113,604**	**1,430,605**

Overall there is a 26% increase from the best estimate calculated and that at the 75th percentile.

The 75th percentile is generally regarded as a prudent level for IBNR reserves. More importantly, the difference between the best estimate and the 75th percentile provides management with an indication of the variability inherent in the IBNR reserves.

Based on the assumption that reserves follow a Normal distribution, there is only a 25% chance that the gross IBNR reserves required by Mutual Benefits will exceed ₦2.114 billion as at 31 December 2021.

Claims development table
The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

Basic Chain Ladder method (BCL)
Development factors were calculated using the last 3, 4, 5, 6 and 7 years of data by accident year or quarter. Ultimate development factors are calculated for each of the permutations and the most appropriate pattern is selected.

Ultimate development factors are applied to the paid data per accident year or quarter and an ultimate claim amount is calculated. The future claims (the ultimate claim amount less paid claims to date) are allocated to future payment periods in line with the development patterns calculated. The outstanding claims reported to date are then subtracted from the total future claims to give the resulting IBNR figure per accident year or quarter.

For cases where there were large losses that had been reported but not paid, and therefore would not have influenced the development patterns, the total case reserve were excluded from the calculation of the IBNR.
i.e. IBNR = Ultimate claim amount (excl. extreme large losses) minus paid claims to date minus claims outstanding (excl.extreme large losses)

Assumptions underlying the BCL
The Basic Chain Ladder Method assumes that past experience is indicative of future experience i.e. that claims recorded to date will continue to develop in a similar manner in the future. An implicit assumption is that, for an immature accident year, the claims observed thus far tell you something about the claims yet to be observed.
A further assumption is that it assumes consistent claim processing, a stable mix of types of claims, stable inflation and stable policy limits.
If any of these assumptions are invalidated, the results of the reserving exercise may prove to be inaccurate.

Loss Ratio method
For two (2) of the classes namely Energy and Aviation, there were very limited data. A BCL method was therefore inappropriate. Expected experience to date was considered as well as the average assumed Ultimate Loss ratio in carrying out the calculation.

Average delay durations were calculated from the data provided. In the absence of any data, various options were provided.

The IBNR is then calculated as: Expected % of claims to still arise in future based on average delay X average ultimate loss ratio assumed X earned premium for the current year

Assumptions underlying the Loss Ratio Method

It was assumed that the average delay in reporting of claims will continue into the future. If it is expected that these delay assumptions no longer hold, an adjustment needs to be made to allow for this change in reporting. If the delay period in reporting is expected to have increased from previous years, the results shown in the report will be understated. Additionally, an estimate of the average ultimate loss ratio will need to be assumed. Loss ratios provided were used to obtain the average loss ratio as well as experience that has been seen to date in previous accident years. Although a reasonability check was not conducted on the loss ratios by comparing the loss ratios to industry figures, if the loss ratios average is not indicative of future experience, the IBNR calculated could be under/over estimated.

Unearned premium provision was calculated using a time – apportionment basis, in particular, the 365ths method. The same approach was taken for deferred acquisition cost. Combined ratio for financial year 31 December 2020 was calculated per class of business, taking into account the additional movement in claims reserves as at 31 December 2020 as a result of the IBNR figures calculated during the reserving exercise. This combined ratio was then applied to the UPR per class of business to determine the expected future underwriting experience for the unexpired risk period, and to ascertain whether the UPR held as at 31 December 2020 was deemed sufficient. The Additional Unexpired Risk Reserve (AURR) is limited to a minimum of 0, i.e. there is no allowance for reduction in the UPR due to expected future profits arising from premiums written which will be earned in future.

	DEVELOPMENT YEARS						
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Fire	0	1	2	3	4	5	6
Accident Year							
2015	116,753	175,298	168,480	174,478	170,496	170,392	170,403
2016	172,707	258,930	263,765	264,173	275,125	277,426	
2017	120,088	323,224	322,793	328,998	344,154		
2018	207,150	320,422	336,325	341,297			
2019	468,071	702,436	753,040				
2020	479,110	563,369					
2021	590,121						
Total	**2,153,999**	**2,343,678**	**1,844,403**	**1,108,946**	**789,775**	**447,818**	**170,403**

	DEVELOPMENT YEARS						
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
General accident	0	1	2	3	4	5	6
Accident Year							
2015	357,565	359,819	369,646	381,530	368,581	381,329	381,103
2016	179,565	293,805	356,307	357,286	344,461	344,691	
2017	289,068	395,665	432,375	533,114	497,591		
2018	376,848	538,011	559,155	631,912			
2019	276,099	360,778	398,600				
2020	308,071	501,481					
2021	860,453						
Total	**2,647,668**	**2,449,558**	**2,116,082**	**1,903,844**	**1,210,634**	**726,020**	**381,103**

Development claim tables

Marine	DEVELOPMENT YEARS ₦'000 0	₦'000 1	₦'000 2	₦'000 3	₦'000 4	₦'000 5	₦'000 6
Accident Year							
2015	89,090	180,663	175,509	182,276	182,564	183,020	183,300
2016	72,495	117,323	146,796	175,493	175,393	260,323	
2017	109,101	211,754	214,107	215,546	217,033		
2018	149,661	240,657	285,473	295,653			
2019	135,360	258,202	279,365				
2020	264,606	495,715					
2021	237,903						
Total	**1,058,215**	**1,504,314**	**1,101,250**	**868,967**	**574,991**	**443,344**	**183,300**

Motor	DEVELOPMENT YEARS ₦'000 0	₦'000 1	₦'000 2	₦'000 3	₦'000 4	₦'000 5	₦'000 6
Accident Year							
2015	644,665	732,127	713,961	714,789	713,522	711,751	711,751
2016	686,053	776,475	770,899	751,299	749,943	749,943	
2017	809,480	974,211	922,113	927,595	926,215		
2018	975,582	1,069,981	1,060,872	1,049,899			
2019	1,187,742	1,281,292	1,277,225				
2020	900,434	1,059,191					
2021	2,110,482						
Total	**7,314,438**	**5,893,276**	**4,745,071**	**3,443,582**	**2,389,679**	**1,461,694**	**711,751**

Oil & Gas	DEVELOPMENT YEARS ₦'000 0	₦'000 1	₦'000 2	₦'000 3	₦'000 4	₦'000 5	₦'000 6
Accident Year							
2015	23,844	29,937	68,135	74,339	67,939	67,939	67,939
2016	317	3,946	9,339	25,054	36,991	71,065	
2017	27,566	78,467	130,270	557,200	595,271		
2018	1,106	1,151	111,919	195,222			
2019	-	225,426	239,968				
2020	19,215	19,215					
2021	308,294						
Total	**380,342**	**358,143**	**559,631**	**851,815**	**700,200**	**139,004**	**67,939**

3.1.2 *Financial risks management*

Introduction and overview

The Group is exposed to a range of financial risks through its financial instruments, insurance assets and insurance liabilities. The key financial risk is that in the long term its investments proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of the financial risks are:

(a) Credit risk
(b) Liquidity risk
(c) Market risk

(a) Credit risk

Credit risk is the risk that one party to a financial instrument or reinsurance contract will cause a financial loss for the other party by failing to discharge an obligation.

Mutual Benefits Assurance Group is exposed to risk relating to its loan and receivables, finance lease receivable, statutory deposits, bank balances, debt instruments at amortised cost, financial assets at FVPL, reinsurance receivables and trade receivables. Its receivables comprise trade receivables from customers, reinsurers and coinsurers recoverables and other receivables. There are no financial assets that are classified as past due and impaired whose terms have been negotiated.

The following policies and procedures are in place to mitigate the Group's exposure to credit risk:

The Group’s credit risk policy sets out the assessment and determination of what constitutes credit risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Group’s risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

Credit risk relating to financial instruments is monitored by the investments team of the Group. It is their responsibility to review and manage credit risk, including environmental risk for all of counterparties. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for industry concentrations, and by monitoring exposures in relation to such limits. It is the Group’s policy to invest in high quality financial instruments with a low risk of default. If there is a significant increase in credit risk, the policy dictates that the instrument should be sold and amounts recovered reinvested in high quality instruments.

Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties’ limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy.

The credit risk in respect of customer balances incurred on non–payment of premiums or contributions (trade receivables) will only persist during the grace period specified in the policy document or trust deed until expiry, when the policy is either paid up or terminated. The contractual credit agreement is strictly in line with the regulator’s “No Premium, No Cover” policy. Stringent measures have been placed by the regulator to guide against credit default. Credit risk exposure operates from the level of brokered transactions with little emphasis placed on direct business. The Group’s credit risk exposure to brokered business is very low as the Group requires brokers to provide credit note which is due 30 days from receipt before incepting insurance cover on behalf of their clients. In addition, commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of default.

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

(i) ***The Group's internal rating process***

The Group's investment team prepares internal ratings for instruments held in which its counterparties are rated using internal grades (investment grade, non-investment grade (satisfactory), non-investment grade (unsatisfactory), past due but not impaired, and individually impaired). The ratings are determined incorporating both qualitative and quantitative information that builds on information from risk rating agencies, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour. These information sources are first used to determine whether an instrument has had a significant increase in credit risk. The Group's internal credit rating grades:

Internal rating grade	Internal rating description	Agusto & Co. rating (when applicable)	Basis for ECL Provision	Basis for Interest Income Calculation
1-2	Investment grade	Aaa	12 month ECL	Gross carrying amount
3	Investment grade	Aa	12 month ECL	Gross carrying amount
4	Investment grade	A	12 month ECL	Gross carrying amount
5	Non-investment grade (satisfactory)	Bbb	Lifetime ECL	Gross carrying amount
6-7	Non-investment grade (unsatisfactory)	Bb	Lifetime ECL	Amortized cost
8-9	Non-investment grade (unsatisfactory)	B	Lifetime ECL	Amortized cost
10	Past due but not impaired	C	Lifetime ECL	Amortized cost
11-12	Individually impaired	D	Lifetime ECL, credit impaired	None

(ii) ***Maximum exposure to credit risk***

The maximum exposure is shown gross, before the effect of mitigation. The maximum risk exposure presented below does not include the exposure that arises in the future as a result of the changes in values. The credit risk analysis below is presented in line with how the Group manages the risk. The Group manages its credit exposure based on the carrying value of the financial instruments and insurance and reinsurance assets.

Below is the analysis of the group's and company's maximum exposure to credit risk at the year end.

	Group		Company	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents	14,217,118	11,482,360	2,731,268	4,765,603
Financial assets at amortised cost	48,110,238	32,510,805	11,199,383	7,879,990
Financial assets at FVPL	3,142,897	21,807,991	1,402,854	5,788,400
Trade receivables	518,045	416,375	57,882	182,138
Reinsurance assets	2,126,570	2,396,137	44,271	77,831
Finance lease receivables	294,715	293,682	215,885	214,852
Other receivables	1,342,153	1,022,572	405,849	280,278
Statutory deposit	500,000	500,000	300,000	300,000
	70,251,736	**70,429,922**	**16,357,392**	**19,489,092**

8 *Industry concentration analysis*

All credit risks are concentrated across many industries in Nigeria. The Company monitors concentration of credit risk by sector.

31 December 2021			*Group*					*Company*		
	Financial services	***Real estate***	***Oil & Gas sector***	***Other***	***Total***	***Financial services***	***Real estate***	***Oil & Gas sector***	***Other***	***Total***
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	14,217,118	-	-	-	14,217,118	2,731,268	-	-	-	2,731,268
Financial assets at amortised cost	33,220,961	-	12,484,684	2,404,593	48,110,238	11,035,555	-	-	163,828	11,199,383
Financial assets at FVPL	3,142,897	-	-	-	3,142,897	1,402,854	-	-	-	1,402,854
Trade receivables	518,045	-	-	-	518,045	57,882	-	-	-	57,882
Reinsurance assets	2,126,570	-	-	-	2,126,570	44,271	-	-	-	44,271
Other receivables	-	-	-	1,342,153	1,342,153	-	-	-	405,849	405,849
Finance lease receivables	-	-	-	294,715	294,715	-	-	-	215,885	215,885
Statutory deposit	500,000	-	-	-	500,000	300,000	-	-	-	300,000
	53,725,591	**-**	**12,484,684**	**4,041,461**	**70,251,736**	**15,571,830**	**-**	**-**	**785,562**	**16,357,392**

31 December 2020			*Group*					*Company*		
	Financial services	***Real estate***	***Oil & Gas sector***	***Other***	***Total***	***Financial services***	***Real estate***	***Oil & Gas sector***	***Other***	***Total***
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	11,482,360	-	-	-	11,482,360	4,765,603	-	-	-	4,765,603
Financial assets at amortised cost	18,829,219	-	12,073,638	1,607,948	32,510,805	7,627,747	-	-	252,243	7,879,990
Financial assets at FVPL	21,807,991	-	-	-	21,807,991	5,788,400	-	-	-	5,788,400
Trade receivables	416,375	-	-	-	416,375	182,138	-	-	-	182,138
Reinsurance assets	2,396,137	-	-	-	2,396,137	77,831	-	-	-	77,831
Other receivables	-	-	-	1,022,572	1,022,572	-	-	-	280,278	280,278
Finance lease receivables	-	-	-	293,682	293,682	-	-	-	214,852	214,852
Statutory deposit	500,000	-	-	-	500,000	300,000	-	-	-	300,000
	55,432,082	**-**	**12,073,638**	**2,924,202**	**70,429,922**	**18,741,719**	**-**	**-**	**747,373**	**19,489,092**

(iii) Credit exposure by credit rating

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

31 December 2021	*Group*					*Company*				
	investment grade	*Non investment grade satisfactory*	*Non investment grade un-satisfactory*	*individually impaired*	*Total*	*investment grade*	*Non investment grade satisfactory*	*Non investment grade un-satisfactory*	*individually impaired*	*Total*
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	14,217,118	-	-	-	14,217,118	2,731,268	-	-	-	2,731,268
Financial assets at amortised cost	47,902,980	207,258	-	-	48,110,238	11,199,383	-	-	-	11,199,383
Financial assets at FVPL	3,142,897	-	-	-	3,142,897	1,402,854	-	-	-	1,402,854
Trade receivables	425,908	92,137	-	-	518,045	57,882	-	-	-	57,882
Reinsurance assets	2,126,570	-	-	-	2,126,570	44,271	-	-	-	44,271
Other receivables	861,129	-	-	481,024	1,342,153	325,491	-	-	80,358	405,849
Finance lease receivables	-	-	-	294,715	294,715	-	-	-	215,885	215,885
Statutory deposit	500,000	-	-	-	500,000	300,000	-	-	-	300,000
	69,176,602	**299,395**	**-**	**775,739**	**70,251,736**	**16,061,149**	**-**	**-**	**296,243**	**16,357,392**

31 December 2020	*Group*					*Company*				
	investment grade	*Non investment grade satisfactory*	*Non investment grade un-satisfactory*	*individually impaired*	*Total*	*investment grade*	*Non investment grade satisfactory*	*Non investment grade un-satisfactory*	*individually impaired*	*Total*
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	11,482,360	-	-	-	11,482,360	4,765,603	-	-	-	4,765,603
Financial assets at amortised cost	20,298,053	12,212,753	-	-	32,510,805	7,879,990	-	-	-	7,879,990
Financial assets at FVPL	21,807,991	-	-	-	21,807,991	5,788,400	-	-	-	5,788,400
Trade receivables	348,617	67,758	-	-	416,375	182,138	-	-	-	182,138
Reinsurance assets	2,396,137	-	-	-	2,396,137	77,831	-	-	-	77,831
Other receivables	677,675	-	-	344,897	1,022,572	199,920	-	-	80,358	280,278
Finance lease receivables	-	-	-	293,682	293,682	-	-	-	214,852	214,852
Statutory deposit	500,000	-	-	-	500,000	300,000	-	-	-	300,000
	57,510,833	**12,280,510**	**-**	**638,579**	**70,429,922**	**19,193,882**	**-**	**-**	**295,210**	**19,489,092**

(iii) ***Credit collateral***

The Group holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Financial assets	Percentage of exposure that is subject to collateral				
	Group		**Company**		**Principal type of collateral held**
	2021	2020	2021	2020	
Loans to oil & gas sector	100%	100%	100%	100%	Oil & gas assets.
Loans to construction sector	100%	100%	100%	100%	Real estate properties, inventory.
Loans to policyholders	100%	100%	100%	100%	Cash deposits.
Staff loans	100%	100%	100%	100%	Real estate properties, vehicles, securities.
Finance lease	100%	100%	100%	100%	Underlying assets.

The loan-to-value (LTV) ratio of the financial assets above is not more than 70%. LTV is calculated as the ratio of the gross amount of the loan to the value of the collateral. The valuation of the collateral excludes any adjustments for obtaining and selling the collateral. The value of the collateral for residential mortgage loans is based on the collateral value at origination updated based on changes in house price indices. For credit-impaired loans the value of collateral is based on the most recent appraisals.

(iv) ***Impairment assessment***

A summary of the assumptions underpinning the Group's expected credit loss (ECL) model is as stated in Note 2.3.37.

(iv) (a) ***Significant increase in credit risk, default and cure***

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

The Group considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Group also considers a variety of instances that may indicate unlikeliness to pay by assessing whether there has been a significant increase in credit risk. Such events include:

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

The Group considers a financial instrument defaulted and, therefore, credit-impaired for ECL calculations in all cases when the counterparty becomes 90 days past due on its contractual payments. The Group may also consider an instrument to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. In such cases, the Group recognizes a lifetime ECL.

In rare cases when an instrument identified as defaulted, it is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of credit-impaired when none of the default criteria have been present for at least twelve consecutive months.

There has been no significant increase in credit risk or default for financial assets during the year.

(iv) (b) ***Expected credit loss***

The Group assesses the possible default events within 12 months for the calculation of the 12mECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal.

In rare cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

(v) ***Impairment losses on financial investments subject to impairment assessment***

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 3.1.2 (a) (i).

(a) ***Credit risk***

(v) (a) ***Cash & short-term deposits in banks***

Group

	31-Dec-21				31-Dec-20			
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Internal rating grade	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Investment grade	14,217,118	-	-	14,217,118	11,341,418	-	-	11,341,418
Non-investment grade (satisfactory)	-	-	-	-	-	140,942	-	140,942
Total Gross Amount	**14,217,118**	**-**	**-**	**14,217,118**	**11,341,418**	**140,942**	**-**	**11,482,360**
ECL	**(56,644)**	**-**	**-**	**(56,644)**	**(64,033)**	**(1,665)**	**-**	**(65,698)**
Total Net Amount	**14,160,474**	**-**	**-**	**14,160,474**	**11,277,385**	**139,277**	**-**	**11,416,662**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

	31-Dec-21				31-Dec-20			
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount as at 1 January	11,341,418	140,942	-	11,482,360	6,735,399	123,923	-	6,859,322
New assets originated or purchased	101,649,110	-	-	101,649,109	66,808,007	140,942	-	66,948,949
Assets derecognised or repaid (excluding write offs)	(98,790,231)	(140,942)	-	(98,931,173)	(62,264,360)	(123,923)	-	(62,388,283)
	2,858,879	**(140,942)**	**-**	**2,717,936**	**4,543,647**	**17,019**	**-**	**4,560,667**
At 31 December	**14,217,118**	**-**	**-**	**14,217,118**	**11,341,418**	**140,942**	**-**	**11,482,360**

	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January	**64,033**	**1,665**	**-**	**65,698**	**54,653**	**1,243**	**-**	**55,896**
New assets originated or purchased	56,644	-	-	56,644	64,033	1,665	-	65,698
Assets derecognised or repaid (excluding write offs)	(64,033)	(1,665)	-	(65,698)	(54,653)	(1,243)	-	(55,896)
	(7,389)	**(1,665)**	**-**	**(9,054)**	**9,380**	**422**	**-**	**9,802**
At 31 December	**56,644**	**-**	**-**	**56,644**	**64,033**	**1,665**	**-**	**65,698**

Company

Internal rating grade	31-Dec-21 ₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total	31-Dec-20 ₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total
Investment grade	2,731,268	-	-	2,731,268	4,624,661	-	-	4,624,661
Non-investment grade (satisfactory)	-	-	-	-	-	140,942	-	140,942
Total Gross Amount	**2,731,268**	**-**	**-**	**2,731,268**	**4,624,661**	**140,942**	**-**	**4,765,603**
ECL	**(14,159)**	**-**	**-**	**(14,159)**	**(4,056)**	**(1,665)**	**-**	**(5,721)**
Total Net Amount	**2,717,109**	**-**	**-**	**2,717,109**	**4,620,605**	**139,277**	**-**	**4,759,882**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

Internal rating grade	31-Dec-21 ₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total	31-Dec-20 ₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total
Gross carrying amount as at 1 January	4,624,661	140,942	-	4,765,603	2,013,719	123,923	-	2,137,642
New assets originated or purchased	28,422,613	-	-	28,422,613	21,812,240	17,019	-	21,829,260
Assets derecognised or repaid (excluding write offs)	(30,316,006)	(140,942)	-	(30,456,948)	(19,201,298)	-	-	(19,201,298)
	(1,893,393)	**(140,942)**	**-**	**(2,034,336)**	**2,610,942**	**17,019**	**-**	**2,627,961**
At 31 December	**2,731,268**	**-**	**-**	**2,731,268**	**4,624,661**	**140,942**	**-**	**4,765,603**

Internal rating grade	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total
ECL allowance as at 1 January	**4,056**	**1,665**	**-**	**5,721**	**4,128**	**1,243**	**-**	**5,371**
New assets originated or purchased	14,159	-	-	14,159	4,056	1,665	-	5,721
Assets derecognised or repaid (excluding write offs)	(4,056)	(1,665)	-	(5,721)	(4,717)	(1,243)	-	(5,960)
	10,103	**(1,665)**	**-**	**8,438**	**(72)**	**422**	**-**	**350**
At 31 December	**14,159**	**-**	**-**	**14,159**	**4,056**	**1,665**	**-**	**5,721**

(v) (b) Financial assets at amortised cost - Loans and receivables

Group

	31-Dec-21				31-Dec-20			
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Internal rating grade	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Investment grade	14,682,019	-	-	14,682,019	1,468,833	-	-	1,468,833
Non-investment grade (satisfactory)	-	207,258	-	207,258	-	12,212,753	-	12,212,753
Non-investment grade (unsatisfactory)	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Individually impaired	-	-	-	-	-	-	-	-
Total Gross Amount	**14,682,019**	**207,258**	**-**	**14,889,277**	**1,468,833**	**12,212,753**	**-**	**13,681,586**
ECL	**(183,544)**	**(207,258)**	**-**	**(390,802)**	**(22,379)**	**(809,337)**	**-**	**(831,716)**
Total Net Amount	**14,498,475**	**-**	**-**	**14,498,475**	**1,446,454**	**11,403,416**	**-**	**12,849,870**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

	31-Dec-21				31-Dec-20			
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount as at 1 January	1,468,833	12,212,753	-	13,681,586	11,649855	-	-	11,649,855
Net assets originated/(derecognised)	1,169,160	207,258		1,376,418	31,184	2,002,657	-	2,033,841
Transfers to Stage 1	12,212,753	(12,212,753)	-	-	-	-	-	-
Transfers to Stage 2	-	-	-		(10,210,096)	10,210,096	-	-
Amounts written off	(168,727)			(168,727)	(2,110)	-	-	(2,110)
	13,213,185	**(12,005,494)**	**-**	**1,207,691**	**(10,181,022)**	**12,212,753**	**-**	**2,031,731**
At 31 December	**14,682,019**	**207,258**	**-**	**14,889,277**	**1,468,833**	**12,212,753**	**-**	**13,681,586**

	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January	**22,379**	**809,337**	**-**	**831,716**	**468,593**	**-**	**-**	**468,593**
Net assets originated/(derecognised)	90,359	(207,258)	-	(116,899)	(1,639)	-	-	(1,639)
Transfers to Stage 1	70,805	(70,805)	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	(444,553)	444,553	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	(324,015)	-	(324,015)	-	364,783	-	364,783
Amounts written off	-	-	-	-	(21)	-	-	(21)
	161,164	**(602,078)**	**-**	**(440,914)**	**(446,214)**	**809,337**	**-**	**363,123**
At 31 December	**183,544**	**207,258**	**-**	**390,802**	**22,379**	**809,337**	**-**	**831,716**

Company

	31-Dec-21				31-Dec-20			
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Internal rating grade	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Investment grade	163,828	-	-	163,828	252,243	-	-	252,243
Non-investment grade (satisfactory)	-	-	-	-	-	-	-	-
Non-investment grade (unsatisfactory)	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Individually impaired	-	-	-	-	-	-	-	-
Total Gross Amount	**163,828**	**-**	**-**	**163,828**	**252,243**	**-**	**-**	**252,243**
ECL	**(732)**	**-**	**-**	**(732)**	**(1,327)**	**-**	**-**	**(1,327)**
Total Net Amount	**163,096**	**-**	**-**	**163,096**	**250,916**	**-**	**-**	**250,916**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

	31-Dec-21				31-Dec-20			
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 January	252,243	-	-	252,243	279,023	-	-	279,023
Net assets originated/(derecognised)	(88,415)	-	-	(88,415)	(26,780)	-	-	(26,780)
	(88,415)	-	-	(88,415)	(26,780)	-	-	(26,780)
At 31 December	**163,828**	**-**	**-**	**163,828**	**252,243**	**-**	**-**	**252,243**

	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January	**1,327**	**-**	**-**	**1,327**	**1,913**	**-**	**-**	**1,913**
Net assets originated/(derecognised)	(595)	-	-	(595)	(586)	-	-	(586)
	(595)	**-**	**-**	**(595)**	**(586)**	**-**	**-**	**(586)**
At 31 December	**732**	**-**	**-**	**732**	**1,327**	**-**	**-**	**1,327**

(v) (c) Financial assets at amortised cost - Treasury bills

Group

	31-Dec-21				31-Dec-20			
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Internal rating grade	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Investment grade	33,220,961	-	-	33,220,961	18,829,219	-	-	18,829,219
Non-investment grade (satisfactory)	-	-	-	-	-	-	-	-
Non-investment grade (unsatisfactory)	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Individually impaired	-	-	-	-	-	-	-	-
Total Gross Amount	**33,220,961**	**-**	**-**	**33,220,961**	**18,829,219**	**-**	**-**	**18,829,219**
ECL	**(8,311)**	**-**	**-**	**(8,311)**	**(5,091)**	**-**	**-**	**(5,091)**
Total Net Amount	**33,212,650**	**-**	**-**	**33,212,650**	**18,824,128**	**-**	**-**	**18,824,128**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

	31-Dec-21				31-Dec-20			
	₦'000 Stage 1	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**	**₦'000 Stage 1**	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**
Gross carrying amount as at 1 January	18,829,219	-	-	18,829,219	23,382,943	-	-	23,382,943
New assets originated or purchased	49,801,150	-	-	49,801,150	19,139,067	-	-	19,139,067
Assets derecognised or matured (excluding write offs)	(35,931,395)	-	-	(35,931,395)	(23,798,734)	-	-	(23,798,734)
Accrued interest capitalised	521,987	-	-	521,987	105,943	-	-	105,943
	14,391,742	**-**	**-**	**14,391,742**	**(4,553,724)**	**-**	**-**	**(4,553,724)**
At 31 December	**33,220,961**	**-**	**-**	**33,220,961**	**18,829,219**	**-**	**-**	**18,829,219**

	₦'000 Stage 1	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**	**₦'000 Stage 1**	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**
ECL allowance as at 1 January	**5,091**	**-**	**-**	**5,091**	**(11,175,870)**	**-**	**-**	**(11,175,870)**
New assets originated or purchased	8,311	-	-	8,311	5,091	-	-	5,091
Assets derecognised or matured (excluding write offs)	(5,091)	-	-	(5,091)	11,175,870	-	-	11,175,870
	3,220	**-**	**-**	**3,220**	**11,180,961**	**-**	**-**	**11,180,961**
At 31 December	**8,311**	**-**	**-**	**8,311**	**5,091**	**-**	**-**	**5,091**

Company	31-Dec-21				31-Dec-20			
	₦'000 Stage 1	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**	**₦'000 Stage 1**	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**
Investment grade	11,035,555	-	-	11,035,555	7,627,747	-	-	7,627,747
Non-investment grade (satisfactory)	-	-	-	-	-	-	-	-
Non-investment grade (unsatisfactory)	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Individually impaired	-	-	-	-	-	-	-	-
Total Gross Amount	**11,035,555**	**-**	**-**	**11,035,555**	**7,627,747**	**-**	**-**	**7,627,747**
ECL	**(2,760)**	**-**	**-**	**(2,760)**	**(2,062)**	**-**	**-**	**(2,062)**
Total Net Amount	**11,032,795**	**-**	**-**	**11,032,795**	**7,625,685**	**-**	**-**	**7,625,685**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

	31-Dec-21				31-Dec-20			
	₦'000 Stage 1	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**	**₦'000 Stage 1**	**₦'000 Stage 2**	**₦'000 Stage 3**	**₦'000 Total**
Gross carrying amount as at 1 January	7,627,747	-	-	5,258,379	5,258,379	-	-	5,258,379
New assets originated or purchased	11,377,466	-	-	11,377,466	8,000,249	-	-	8,000,249
Assets derecognised or matured (excluding write offs)	(8,152,762)	-	-	(8,152,762)	(5,674,151)	-	-	(5,674,151)
Accrued interest capitalised	183,105	-	-	183,105	43,270	-	-	43,270
	3,407,809	**-**	**-**	**5,777,177**	**2,369,368**	**-**	**-**	**-**
At 31 December	**11,035,555**	**-**	**-**	**11,035,555**	**7,627,747**	**-**	**-**	**5,258,379**

	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total
ECL allowance as at 1 January	**2,062**	**-**	**-**	**2,062**	**(275,900)**	**-**	**-**	**(275,900)**
New assets originated or purchased	2,760	-	-	2,760	2,062	-	-	2,062
Assets derecognised or matured (excluding write offs)	(2,062)	-	-	(2,062)	275,900	-	-	275,900
	699	**-**	**-**	**699**	**277,962**	**-**	**-**	**277,962**
At 31 December	**2,760**	**-**	**-**	**2,760**	**2,062**	**-**	**-**	**2,062**

(vi) (d) Finance Lease receivables

Group		**31-Dec-21**				**31-Dec-20**		
	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total
Investment grade	-	-	-	-	-	-	-	-
Non-investment grade (satisfactory)	-	-	-	-	-	-	-	-
Non-investment grade (unsatisfactory)	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Individually impaired	-	-	294,715	294,715	-	-	293,682	293,682
Total Gross Amount	**-**	**-**	**294,715**	**294,715**	**-**	**-**	**293,682**	**293,682**
ECL	**-**	**-**	**(292,375)**	**(292,375)**	**-**	**-**	**(293,025)**	**(293,025)**
Total Net Amount	**-**	**-**	**2,340**	**2,340**	**-**	**-**	**657**	**657**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

		31-Dec-21				**31-Dec-20**		
	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total
Gross carrying amount as at 1 January	-	-	293,682	293,682	176,148	-	116,280	292,428
New assets originated	-	-	-	-	-	-	1,254	1,254
Accrued interest capitalised	-	-	1,033	1,033	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	(176,148)	-	176,148	-
	-	**-**	**1,033**	**1,033**	**(176,148)**	**-**	**177,402**	**1,254**
At 31 December	**-**	**-**	**294,715**	**294,715**	**-**	**-**	**293,682**	**293,682**

	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total	₦'000 Stage 1	₦'000 Stage 2	₦'000 Stage 3	₦'000 Total
ECL allowance as at 1 January	**-**	**-**	**293,025**	**293,025**	**13,765**	**-**	**195,111**	**208,876**
New assets originated	-	-	-	-	-	-	84,149	84,149
Assets derecognised or matured(excluding write offs)	-	-	(650)	(650)	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	(13,765)	-	13,765	-
	-	**-**	**(650)**	**(650)**	**(13,765)**	**-**	**97,914**	**84,149**
At 31 December	**-**	**-**	**292,375**	**292,375**	**-**	**-**	**293,025**	**293,025**

(vi) (d) Finance Lease receivables

Company	31-Dec-21				31-Dec-20			
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Internal rating grade	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Investment grade	-	-	-	-	-	-	-	-
Non-investment grade (unsatisfactory)	-	-	-	-	-	-	-	-
Past due but not impaired	-	-	-	-	-	-	-	-
Individually impaired	-	-	215,885	215,885	-	-	214,852	214,852
Total Gross Amount	**-**	**-**	**215,885**	**215,885**	**-**	**-**	**214,852**	**214,852**
ECL	**-**	**-**	**(213,545)**	**(213,545)**	**-**	**-**	**(214,195)**	**(214,195)**
Total Net Amount	**-**	**-**	**2,340**	**2,340**	**-**	**-**	**657**	**657**

An analysis of changes in the gross amount and the corresponding ECLs is, as follows:

	31-Dec-21				31-Dec-20			
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 January	-	-	214,852	214,852	97,318	-	116,280	213,598
New assets originated	-	-	-	-	-	-	1,254	1,254
Accrued interest capitalised	-	-	1,033	1,033	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	(97,318)	-	97,318	-
	-	**-**	**1,033**	**1,033**	**(97,318)**	**-**	**98,572**	**1,254**
At 31 December	**-**	**-**	**215,885**	**215,885**	**-**	**-**	**214,852**	**214,852**

	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January	**-**	**-**	**214,195**	**214,195**	**13,766**	**-**	**116,280**	**130,046**
New assets originated	-	-	-	-	-	-	84,149	84,149
Assets derecognised or matured excluding write offs)	-	-	(650)	(650)	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	(13,766)	-	13,766	-
	-	**-**	**(650)**	**(650)**	**(13,766)**	**-**	**97,915**	**84,149**
At 31 December	**-**	**-**	**213,545**	**213,545**	**-**	**-**	**214,195**	**214,195**

(b) **Liquidity risk**

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made and clients request for termination of their investment-linked products. The Group has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claims payments are funded by current operating cash flow including investment income.

The Group's investment policy requires that a reasonable percentage of the non-life portfolio be held in cash and cash equivalent; this highlights availability of liquid marketable securities sufficient to meet its liabilities as at when due. Cash and cash equivalents include cash in hand, cash at banks and short-term deposits with an original maturity of less than 90 days.
The limits are monitored and reported on a weekly and monthly basis to ensure that exposure of the Group's investment portfolio to this risk is properly managed.
Below is a summary of undiscounted contractual cashflows of financial assets matched with financial liabilities.

Group

31 December 2021	Carrying amount	1-6 months	6-12 months	1-5 years	Above 5 years	No maturity date	Gross total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents	14,164,438	14,660,192	-	-	-	-	14,660,192
Financial assets held for trading pledged as collateral	137,283	-	-	-	-	137,283	137,283
Financial assets at fair value through profit or loss	3,239,653	190,974	190,974	1,909,740	6,048,106	96,756	8,436,549
Financial assets at amortised cost	47,711,125	658,181	36,622,301	17,610,298	58,239	-	54,949,020
Trade receivables	425,908	425,908	-	-	-	-	425,908
Reinsurance assets	2,126,570	2,126,570	-	-	-	-	2,126,570
Other receivables	861,129	861,129	-	-	-	-	861,129
Finance lease receivables	2,340	11,624	5,322	-	-	-	16,946
Total financial assets	**68,668,446**	**18,934,578**	**36,818,597**	**19,520,038**	**6,106,345**	**234,039**	**81,613,597**
Investment contract liabilities	30,178,616	7,957,606	7,957,606	15,831,764	609,410	-	32,356,386
Trade payables*	938,336	938,336	-	-	-	-	938,336
Other liabilities*	2,516,222	2,516,222	-	-	-	-	2,516,222
Deposit liabilities	1,327,465	1,327,465	-	-	-	-	1,327,465
Borrowings	2,338,331	1,845,000	-	493,331	-	-	2,338,331
Total financial liabilities	**37,298,970**	**14,584,629**	**7,957,606**	**16,325,095**	**609,410**	**-**	**39,476,740**
Total liquidity gap	**31,369,476**	**4,349,949**	**28,860,991**	**3,194,944**	**5,496,935**	**234,039**	**42,136,857**

*These balances are adjusted for non-financial items such as unearned premium, deferred commission, deposit for premium, WHT and VAT payable etc.

Company

31 December 2021	₦'000 Carrying amount	₦'000 1-6 months	₦'000 6-12 months	₦'000 1-5 years	₦'000 Above 5 years	₦'000 No maturity date	₦'000 Gross total
Cash and cash equivalents	2,719,127	2,814,296	-	-	-	-	2,814,296
Loans and receivables	-	-	-	-	-	-	-
Financial assets held for trading pledged as collateral	137,283	-	-	-	-	137,283	137,283
Financial assets fair value through profit or loss	1,499,610	86,490	86,490	864,900	2,865,330	96,756	3,999,966
Financial assets at amortised cost	11,195,891	124,717	11,469,037	94,619	58,239	-	11,746,612
Trade receivables	57,882	57,882	-	-	-	-	57,882
Reinsurance assets	44,271	44,271	-	-	-	-	44,271
Other receivables	325,491	325,491	-	-	-	-	325,491
Finance lease receivables	2,340	11,624	5,322	-	-	-	16,946
Total financial assets	**15,981,895**	**3,464,772**	**11,560,849**	**959,519**	**2,923,569**	**234,039**	**19,142,748**
Trade payables*	197,865	197,865	-	-	-	-	197,865
Other liabilities*	1,754,660	1,754,660	-	-	-	-	1,754,660
Borrowings	2,338,331	1,845,000	-	493,331	-	-	2,338,331
Total financial liabilities	**4,290,856**	**3,797,525**	**-**	**493,331**	**-**	**-**	**4,290,856**
Total liquidity gap	**11,691,039**	**(332,753)**	**11,560,849**	**466,188**	**2,923,569**	**234,039**	**14,851,892**

*These balances are adjusted for non-financial items such as unearned premium, deferred commission, WHT and VAT payable etc.

Group

31 December 2020	₦'000 Carrying amount	₦'000 1-6 months	₦'000 6-12 months	₦'000 1-5 years	₦'000 Above 5 years	₦'000 No maturity date	₦'000 Gross total
Cash and cash equivalents	11,420,144	11,495,886	-	-	-	-	11,495,886
Financial assets held for trading pledged as collateral	140,648	-	-	-	-	140,648	140,648
Financial assets fair value through profit or loss	21,899,279	952,175	952,175	9,521,754	31,962,032	91,288	43,479,425
Financial assets at amortised cost	31,673,998	400,384	20,671,917	18,632,193	89,599	-	39,794,092
Trade receivables	348,617	348,617	-	-	-	-	348,617
Reinsurance assets	2,396,137	2,396,137	-	-	-	-	2,396,137
Other receivables	448,594	448,594	-	-	-	-	448,594
Finance lease receivables	657	11,624	3,639	-	-	-	15,263
Total financial assets	**68,328,074**	**16,053,417**	**21,627,731**	**28,153,947**	**32,051,631**	**231,936**	**98,118,662**
Investment contract liabilities	28,447,267	7,501,078	7,501,078	14,923,494	574,448	-	30,500,099
Trade payables*	990,356	990,356	-	-	-	-	990,356
Other liabilities*	3,353,828	3,353,828	-	-	-	-	3,353,828
Deposit liabilities	301,618	301,618	-	-	-	-	301,618
Borrowings	3,890,130	1,910,000	764,000	1,216,130	-	-	3,890,130
Total financial liabilities	**36,983,199**	**14,056,880**	**8,265,078**	**16,139,624**	**574,448**	**-**	**39,036,031**
Total liquidity gap	**31,344,875**	**1,996,537**	**13,362,653**	**12,014,323**	**31,477,182**	**231,936**	**59,082,631**

*These balances are adjusted for non-financial items such as unearned premium, deferred commission, deposit for premium, WHT and VAT payable etc.

Company

31 December 2020	₦'000 Carrying amount	₦'000 1-6 months	₦'000 6-12 months	₦'000 1-5 years	₦'000 Above 5 years	₦'000 No maturity date	₦'000 Gross total
Cash and cash equivalents	4,761,993	4,767,629	-	-	-	-	4,767,629
Financial assets held for trading pledged as collateral	140,648	-	-	-	-	140,648	140,648
Financial assets fair value through profit or loss	5,879,688	252,328	252,328	2,523,279	9,099,353	91,288	12,218,576
Financial assets at amortised cost	7,876,601	126,923	7,647,456	145,567	89,599	-	8,009,545
Trade receivables	182,138	182,138	-	-	-	-	182,138
Reinsurance assets	77,831	77,831	-	-	-	-	77,831
Other receivables	198,398	198,398	-	-	-	-	198,398
Finance lease receivables	657	11,624	3,639	-	-	-	15,263
Total financial assets	**19,117,954**	**5,616,871**	**7,903,423**	**2,668,847**	**9,188,952**	**231,936**	**25,610,029**
Trade payables*	338,461	338,461	-	-	-	-	338,461
Other liabilities*	1,928,132	1,928,132	-	-	-	-	1,928,132
Borrowings	3,890,130	1,910,000	764,000	1,216,130	-	-	3,890,130
Total financial liabilities	**6,156,723**	**4,176,593**	**764,000**	**1,216,130**	**-**	**-**	**6,156,723**
Total liquidity gap	**12,961,231**	**1,440,278**	**7,139,423**	**1,452,717**	**9,188,952**	**231,936**	**19,453,306**

*These balances are adjusted for non-financial items such as unearned premium, deferred commission, WHT and VAT payable etc.

(c) Market risk

I Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
The Group's principal transactions are carried out in Naira and its exposure to foreign exchange risk arise primarily with respect to the Pound, US dollar, Euro and CFA Franc.
The Group's financial assets are primarily denominated in the same currencies as its insurance and investment contract liabilities. Thus, the main foreign exchange risk arises from recognised assets and liabilities denominated in currencies other than those in which insurance and investment contract liabilities are expected to be settled.

Mutual Benefits Assurance Plc is exposed to foreign exchange currency risk primarily through undertaking certain transactions denominated in foreign currency. The Group exposure to foreign currency risk through its investment in short term placements, foreign domiciliary bank balance and foreign borrowing.

Group	*31 December 2021*				*31 December 2020*			
In thousands of Nigerian Naira	*POUND*	*USD*	*EURO*	*CFA Franc*	*POUND*	*USD*	*EURO*	*CFA Franc*
Cash and cash equivalents	104,570	1,146,317	27,830	-	104,973	639,094	20,901	-
Net investment in foreign subsidiaries	-	1,828,097	-	3,395,725	-	1,696,731	-	2,804,881
Outstanding claims	-	-	-	-	-	434,202	-	-

Company	*31 December 2021*				*31 December 2020*			
In thousands of Nigerian Naira	*POUND*	*USD*	*EURO*	*CFA Franc*	*POUND*	*USD*	*EURO*	*CFA Franc*
Cash and cash equivalents	2,837	956,172	27,830	-	4,264	433,962	20,901	-
Borrowings	-	-	-	-	-	-	-	-
Outstanding claims	-	-	-	-	-	434,202	-	-

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity due to changes in the fair value of currency sensitive monetary assets and liabilities including insurance contract claim liabilities. The correlation of variables will have a significant effect in determining the ultimate impact of currency risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non–linear. The method used for deriving sensitivity information and significant variables did not change from the previous period.

		GROUP				**COMPANY**			
		31 DECEMBER 2021		**31 DECEMBER 2020**		**31 DECEMBER 2021**		**31 DECEMBER 2020**	
	Change in variables	**Impact on profit before tax ₦'000**	**Impact on equity ₦'000**	**Impact on profit before tax ₦'000**	**Impact on equity ₦'000**	**Impact on profit before tax ₦'000**	**Impact on equity ₦'000**	**Impact on profit before tax ₦'000**	**Impact on equity ₦'000**
USD	+10%	297,441	208,209	190,162	133,113	95,617	66,932	(24)	(17)
EURO	+10%	2,783	1,948	2,090	1,463	2,783	1,948	2,090	1,463
CFA Franc	+10%	339,572	237,701	280,488	196,342	-	-	-	-
POUND	+10%	10,457	7,320	10,497	7,348	284	199	426	298
USD	-10%	(297,441)	(208,209)	(190,162)	(133,113)	(95,617)	(66,932)	24	17
EURO	-10%	(2,783)	(1,948)	(2,090)	(1,463)	(2,783)	(1,948)	(2,090)	(1,463)
CFA Franc	-10%	(339,572)	(237,701)	(280,488)	(196,342)	-	-	-	-
POUND	-10%	(10,457)	(7,320)	(10,497)	(7,348)	(284)	(199)	(426)	(298)

ii Interest-rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fixed interest rate instruments expose the Group to fair value interest risk. Group does no expose to cash flow interest risk. The Group has no significant concentration of interest rate risk.

iii Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk). The investments of the Group are subject to normal market fluctuations and the risks inherent in investment in financial markets. The Group expoure to equity price risk is insignificant.

3.2 Capital Management

The National Insurance Commission (NAICOM), sets and monitors capital requirements for Insurance Companies. The individual subsidiaries are directly supervised by other regulators, i.e, Mutual Benefits Microfinance Bank Limited is regulated by the Central Bank of Nigeria, Mutual Benefits Niger Limited by Conference Interafricaine Des Marches D's assurance (CIMA) and Mutual Benefits Liberia Limited are being regulated by Central Bank of Liberia respectively.

The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group and its individually regulated operations have complied with all externally imposed capital requirements.

Management uses regulatory capital ratios to monitor its capital base. The allocation of capital between specific operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily on the regulatory capital, but in some cases the regulatory requirements do not fully reflect the varying degree of risk associated with different activities. In such cases, the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation by Group Risk and Group Credit, and is subject to review by the Group Credit Committee or the Group Asset and Liability Management Committee (ALCO), as appropriate. The Group ensures it maintains the minimum required capital at all times throughout the year. The table below summarises the minimum required capital across the Group and the regulatory capital held against each of them.

Capital management objectives, policies and approach

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

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

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

The Company's capital management policy for its insurance business is to hold sufficient capital to cover the statutory requirements based on the NAICOM directives, including any additional amounts required by the regulator.

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and policyholders.

The Company has had no significant changes in its policies and processes to its capital structure during the past year from previous years.

Company

	2021 ₦'000	2020 ₦'000
Available capital resources as at 31 December		
Total shareholders' funds per financial statements	12,502,279	15,009,822
Regulatory adjustments	(1,092,389)	(803,479)
Available capital resources	11,409,890	14,206,343
Minumum capital based required by regulator	3,000,000	3,000,000
Excess in solvency margin	**8,409,890**	**11,206,343**

The Solvency Margin for the parent as at 31 December 2021 is as follows:

	2021 ₦'000	2020 ₦'000
Admissible assets		
Cash and cash equivalents	2,719,127	4,761,993
Equity instruments at fair value through OCI	79,021	60,008
Financial assets fair value through profit or loss	1,499,610	5,879,688
Financial assets at amortised cost	11,195,891	7,876,601
Financial assets held for trading pledged as collateral	137,283	140,648
Trade receivables	57,882	182,138
Reinsurance assets	2,386,324	1,885,227
Deferred acquisition cost	655,070	432,422
Finance lease receivables	2,340	657
Investment properties & Land/Building	1,000,000	1,000,000
Investment in subsidiaries	6,120,000	6,120,000
Property, plant and equipment (less Land & Building)	186,467	200,674
Intangible assets	78,180	12,706
Statutory deposit	300,000	300,000
Total	**26,417,195**	**28,852,762**
Admissible liabilities		
Insurance contract liabilities	9,957,655	7,428,602
Borrowings	2,338,331	3,890,130
Trade payables	701,977	756,603
Other liabilities	1,780,886	1,954,097
Current income tax liabilities	228,456	616,987
Total	**15,007,305**	**14,646,419**
Solvency margin	**11,409,890**	**14,206,343**
The higher of 15% of Net premium income and minimum share capital requirement	3,000,000	3,000,000
Solvency ratio	3.80	4.74

3.3 Asset and Liability Management

The Company is exposed to a financial risks through its financial assets, financial liabilities (investment contracts and borrowings), reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long-term its investment proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of this financial risk are liquidity risk and credit risk.

The Company manages these positions within an ALM framework that has been developed to achieve longterm investment returns in excess of its obligations under insurance and investment contracts. Within the ALM framework, the Group periodically produces reports at portfolio, legal entity and asset and liability class level that are circulated to the Group's key management personnel. The principal technique of the Company's ALM is to match assets to the liabilities arising from insurance and investment contracts by reference to the type of benefits payable to contract holders. For each distinct class of liabilities, a separate portfolio of assets is maintained. The Company has not changed the processes used to manage its risks from previous periods.

The Company's ALM is integrated with the management of the financial risks associated with the Company's other classes of financial assets and liabilities not directly associated with insurance and investment liabilities (in particular, borrowings and investments in foreign operations). The notes below explain how financial risks are managed using the categories utilized in the Company's ALM framework.

The table below hypothecates the total assets of the Company into assets that represents insurance funds and shareholders' funds:

	DEC 2021			DEC 2020		
	Carrying amount ₦'000	Insurance contract ₦'000	Shareholders fund ₦'000	Carrying amount ₦'000	Insurance contract ₦'000	Shareholders fund ₦'000
ASSETS						
Cash and cash equivalents	2,719,127	2,311,258	407,869	4,761,993	1,552,183	3,209,810
Equity instruments at fair value through OCI	79,021	-	79,021	60,008	-	60,008
Financial assets fair value through profit or loss	1,499,610	96,756	1,402,854	5,879,688	91,288	5,788,400
Financial assets at amortised cost	11,195,891	7,965,555	3,230,336	7,876,601	6,031,505	1,845,096
inancial assets held for trading pledged as collateral	137,283	-	137,283	140,648	-	140,648
Trade receivables	57,882	-	57,882	182,138	-	182,138
Reinsurance assets	2,386,324	2,386,324	-	1,885,227	1,885,227	-
Other receivables and prepayments	510,551	-	510,551	296,349	-	296,349
Deferred acquisition cost	655,070	-	655,070	432,422	-	432,422
Finance lease receivables	2,340	-	2,340	657	-	657
Investment property	56,000	-	56,000	56,000	-	56,000
Investment in subsidiaries	6,120,000	-	6,120,000	6,120,000	-	6,120,000
Intangible assets	78,180	-	78,180	12,706	-	12,706
Property, plants and equipment	2,137,229	-	2,137,229	2,219,816	-	2,219,816
Statutory deposit	300,000	-	300,000	300,000	-	300,000
Deferred tax assets	94,288	-	94,288	91,556	-	91,556
Total assets	**28,028,796**	**12,759,893**	**15,268,903**	**30,315,809**	**9,560,203**	**20,755,605**
Liabilities						
Insurance contract liabilities	9,957,655	9,957,655	-	7,428,602	7,428,602	
Trade payables	701,977	-	701,977	756,603	-	756,603
Other liabilities	1,780,886	-	1,780,886	1,954,097	-	1,954,097
Borrowings	2,338,331	-	2,338,331	3,890,130	-	3,890,130
Current income tax liabilities	228,456	-	228,456	616,987	-	616,987
Deferred tax liability	519,212	-	519,212	659,568	-	659,568
Total liabilities	**15,526,517**	**9,957,655**	**5,568,862**	**15,305,987**	**7,428,602**	**7,877,385**
GAP	**12,502,279**	**2,802,238**	**9,700,041**	**15,009,822**	**2,131,601**	**12,878,221**

3.4 Measurement of financial assets and liabilities

Accounting classification measurement basis and fair value set out below is a comparison, by class, of the carrying amounts and fair values of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

31 December 2021	Note	Group Carrying amount ₦'000	Group Fair value ₦'000	Company Carrying amount ₦'000	Company Fair value ₦'000
Financial assets at amortised cost	21.3	47,711,125	48,405,004	11,195,891	11,284,041
Finance lease receivables	21.2.2	2,340	2,340	2,340	2,340
		47,713,465	**48,407,344**	**11,198,231**	**11,286,381**

31 December 2020	Note	Group Carrying amount ₦'000	Group Fair value ₦'000	Company Carrying amount ₦'000	Company Fair value ₦'000
Financial assets at amortised cost	21.3	31,673,998	31,566,557	7,876,601	5,498,493
Finance lease receivables	21.2.2	657	657	657	657
		31,674,655	**31,567,214**	**7,877,258**	**5,499,150**

3.5 Fair value hierarchy

The Group's accounting policy on fair value measurements is discussed under note 2.3.11.

The fair values of financial assets and liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the group determines fair values using other valuation techniques.

For financial instruments that trade infrequently, and had little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risk affecting the specific instrument.

Valuation models
The group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Financial instruments in level 1
The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Nigerian Stock Exchange equity investments classified as trading securities or available for sale. If the fair value cannot be measured reliably, these financial instruments are measured at cost, being the fair value of the consideration paid for the acquisition of the investment or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment. The group measure its available-sale instrument at costs.

Financial instruments in level 2
Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from 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 than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Financial instruments in level 3

Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognised in the statement of financial position.

Financial instruments measured at fair value

The following table analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 December 2021		**Group**				**Company**		
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Financial assets held for trading pledged as collateral	137,283	-	-	137,283	137,283	-	-	137,283
Equity instruments at fair value through OCI	293,867	-	165,982	459,849	-	-	79,021	79,021
Financial assets at FVPL	3,239,653	-	-	3,239,653	1,499,610	-	-	1,499,610
	3,670,803	**-**	**165,982**	**3,836,785**	**1,636,893**	**-**	**79,021**	**1,715,914**

31 December 2020			**Group**					**Company**
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Financial assets held for trading pledged as collateral	140,648	-	-	140,648	140,648	-	-	140,648
Equity instruments at fair value through OCI	20,996	-	119,645	140,641	-	-	60,008	60,008
Financial assets at FVPL	21,899,279	-	-	21,899,279	5,879,688	-	-	5,879,688
	22,060,923	**-**	**119,645**	**22,180,568**	**6,020,336**	**-**	**60,008**	**6,080,344**

Reconciliation of Level 3 item (equity instruments at FVOCI)

	GROUP		**COMPANY**	
	31 Dec-2021	**31 Dec-2020**	**31 Dec-2021**	**31 Dec-2020**
	₦'000	**₦'000**	**₦'000**	**₦'000**
At 1 January	119,645	345,967	60,008	57,842
Unrealised gains/(losses) in OCI	46,337	(226,322)	19,013	2,166
	165,982	**119,645**	**79,021**	**60,008**

Unobservable inputs used in measuring fair value

Information about the fair value measurement using significant unobservable inputs (Level 3)

The equity sensitivity measures the impact of a +/-500bps movement in the comparative companies. The sensitivity of the fair values of investment in unlisted equities to changes in the Enterprise Value/EBITDA multiples, Enterprise value/Sales (EV/sales) multiples and Price to book (P/B) of the comparative companies as at 31 December 2021 is as shown in the table below:

				Group		Company	
Description	Valuation technique	Assumption	Multiple	31 Dec-2021 Fair value ₦'000	31 Dec-2020 Fair value ₦'000	31 Dec-2021 Fair value ₦'000	31 Dec-2020 Fair value ₦'000
WAICA Reinsurance Corporation Plc	Enterprise Value/EBITDA	Base	7.5x	73,595	60,008	73,595	60,008
		Sensitivity +5%		77,275	63,008	77,275	63,008
		Sensitivity -5%		69,915	57,008	69,915	57,008
Avanage Nigeria Limited	Enterprise Value/Sales	Base	0.57x	18,615	20,996	-	-
		Sensitivity +5%		19,546	22,046	-	-
		Sensitivity -5%		17,684	19,946	-	-
Leasing Company of Liberia	Price to book	Base	1.31x	67,436	41,516	-	-
		Sensitivity +5%		70,808	43,592	-	-
		Sensitivity -5%		64,064	39,440	-	-

Financial instruments not measured at fair value

The following table sets out the carrying amount of financial instruments not measured at fair value and the analysis per level in the fair value hierarchy into which each fair value measurement is categorised.

31 December 2021			Group				Company	
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost	-	48,405,004	-	48,405,004	-	11,284,041	-	11,284,041
Finance lease receivables	-	-	2,340	2,340	-	-	2,340	2,340
	-	**48,405,004**	**2,340**	**48,407,344**	**-**	**11,284,041**	**2,340**	**11,286,381**

31 December 2020			Group				Company	
	Level 1 ₦'000	Level 2 ₦'000	Level 3 ₦'000	Total ₦'000	Level 1 ₦'000	Level 2 ₦'000	Level 3 ₦'000	Total ₦'000
Financial assets at amortised cost	-	31,566,557	-	31,566,557	-	5,498,493	-	5,498,493
Finance lease receivables	-	-	657	657	-	-	657	657
	-	**31,566,557**	**657**	**31,567,214**	**-**	**5,498,493**	**657**	**5,499,150**

Fair value of financial assets and liabilities

Below are the methodologies and assumptions used to determine fair values for those financial instruments in the financial statements:

Assets and liabilities for which fair value approximates carrying value

The management assessed that cash and cash equivalents, trade receivables, reinsurance receivable, other receivables, trade payables, other liabilities and deposit liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Loans and receivables and finance lease receivables

The fair values of loans and receivables and finance lease receivables are based on cash flows discounted using a rate based on the market interest rate of borrowings. The discount rate equals the prime lending rate as set by the Central Bank of Nigeria at the reporting dates. The fair values are within Level 2 and 3 of the fair value hierarchy for loans and receivables and finance lease receivables respectively.

Non financial asset measured at fair value

Investment property is a recurring fair value measurement valued using the market approach method of valuation. The valuation of the properties is based on the price for which comparable land and properties are being exchanged and/or are being marketed for sale. Therefore, the market-approach Method of Valuation was used. See Note 31 for the details of the description of valuation techniques used and key inputs to valuation on investment properties.

Significant unobservable valuation input:

Price per square metre Range: (N204,085 - N809,551)

Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

		Group				Company			
		Level 1 ₦'000	Level 2 ₦'000	Level 3 ₦'000	Total ₦'000	Level 1 ₦'000	Level 2 ₦'000	Level 3 ₦'000	Total ₦'000
Investment property	31 Dec 2021	-	-	6,091,000	6,091,000	-	-	56,000	56,000
Investment property	31 Dec 2020	-	-	6,721,000	6,721,000	-	-	56,000	56,000

During the reporting year ended 31 December 2021, there were no transfers between level 1 and level 2 and in and out of level 3.

3.6 Segment information

The Group is organized into three operating segments. These segments distribute their products through various forms of brokers, agencies and direct marketing programs. Management identifies its reportable operating segments by product line consistent with the reports used by the Management Investment and Underwriting Committee. These segments and their respective operations are as follows:

i **Assurance business:** This segment covers the protection of customers' assets (Particularly their properties, both for personal and commercial business) and indemnification of other parties that have suffered damage as a result of customers accident. All contracts in this segment are short term in nature. Revenue in this segment is derived primarily from insurance premium, investment income, net realised gains on financial assets , and net fair value gains on financial assets at fair value through profit or loss and covers the protection of the Group's customers against the risk of premature death, disability, critical illness and other accidents. Revenue from this segment is derived primarily from insurance premium, investment income, net realized gains on financial assets and net fair value gains on financial assets held for trading.

ii **Real Estate:** The Group undertakes real estate development project with the aim of outright sale or lease of the properties to meet the needs of individual and corporate bodies. The Group offers various products in real estate to meet client needs while promoting value adding business relationships and utilizes a combination of debt and equity finance to provide funds for projects. Revenue from this segment is derived primarily from property sale, fee income and investment income.

iii **Microfinance Banking:** The Group undertakes provision of retails and microfinance banking services at the community level. Revenue from this segment is derived primarily interest on micro loans and advances, SME loans, overdraft, fees and commission and investment income.

The segment information provided by the Management Underwriting Investment Committee (MUIC) for the reporting segments for the year ended 31 December 2021 is as follows:

	Assurance business				Real estate	Microfinance		
Group	**Mutual Plc Nigeria ₦'000**	**Mutual Ltd Nigeria ₦'000**	**Mutual Niger ₦'000**	**Mutual Liberia ₦'000**	**Mutual Homes ₦'000**	**Mutual Microfinance ₦'000**	**Elimination adjustment ₦'000**	**Total ₦'000**
Cash and cash equivalents	2,719,127	6,895,926	3,745,556	531,089	311	275,428	(3,000)	14,164,438
Equity instruments at fair value through OCI	79,021	313,393	-	137,420	-	-	(69,990)	459,849
Financial assets at fair value through profit or loss	1,499,610	1,740,043	-	-	-	-	-	3,239,653
Financial assets at amortised cost	11,195,891	34,546,553	-	1,079,512	-	889,170	-	47,711,125
Financial assets held for trading pledged as collateral	137,283	-	-	-	-	-	-	137,283
Trade receivables	57,882	27,788	288,590	51,648	-	-	-	425,908
Reinsurance assets	2,386,324	1,586,918	686,088	(2,859)	-	-	-	4,656,470
Other receivables and prepayments	510,551	893,113	75,136	183,312	-	56,626	(716,650)	1,002,084
Deferred acquisition costs	655,070	294,950	-	-	-	-	-	950,020
Finance lease receivables	2,340	-	-	-	-	-	-	2,340
Inventories	-	-	-	-	44,299	-	-	44,299
Investment properties	56,000	6,035,000	-	-	-	-	-	6,091,000
Intangible assets	78,180	110,409	118,871	-	-	26,520	-	333,980
Property, plant and equipment	2,137,229	114,643	760,391	465,430	-	5,722	-	3,483,414
Investments in subsidiaries	6,120,000	1,016,981	-	-	-	-	(7,136,980)	-
Statutory deposit	300,000	200,000	-	-	-	-	-	500,000
Deposit for investment in equity shares	-	100,000	-	-	-	-	(100,000)	-
Deferred tax assets	94,288	341,980	-	-	-	-	142,210	578,480
Total assets	**28,028,796**	**54,217,697**	**5,674,632**	**2,445,553**	**44,610**	**1,253,466**	**(7,884,410)**	**83,780,343**

The segment information provided by the Management Underwriting Investment Committee (MUIC) for the reporting segments as at 31 December 2021 is as follows:

			Assurance business		Real estate		Microfinance	
Group	**Mutual Plc Nigeria ₦'000**	**Mutual Ltd Nigeria ₦'000**	**Mutual Niger ₦'000**	**Mutual Liberia ₦'000**	**Mutual Homes ₦'000**	**Mutual Microfinance ₦'000**	**Elimination adjustment ₦'000**	**Total ₦'000**
LIABILITIES								
Insurance contract liabilities	9,957,655	11,722,189	1,481,569	302,730	-	-	-	23,464,143
Investment contract liabilities	-	30,178,616	-	-	-	-	-	30,178,616
Trade payables	701,977	895,908	531,226	16,620	-	-	-	2,145,731
Other liabilities	1,780,886	1,164,089	266,112	137,191	202,828	60,911	(1,011,540)	2,600,475
Deposit liabilities	-	-	-	-	-	1,327,465	-	1,327,465
Borrowings	2,338,331	-	-	-	-	-	-	2,338,331
Current income tax liabilities	228,456	30,009	-	160,915	50,750	14,990	-	485,119
Deferred tax liabilities	519,212	-	-	-	8	(100,328)	945,690	1,364,586
Total liabilities	15,526,517	43,990,811	2,278,908	617,456	253,585	1,303,038	(65,850)	63,904,466
EQUITY								
Share capital	10,030,811	8,002,500	1,295,010	488,421	20,000	504,867	(10,310,800)	10,030,811
Treasury shares	(250)	-	-	-	-	-	-	(250)
Share premium	276,486	-	-	-	-	-	-	276,486
Foreign currency translation reserve	-	-	1,285,767	1,267,741	-	-	(1,002,423)	1,551,085
Contingency reserve	3,531,871	1,170,181	-	-	-	-	-	4,702,054
Fair value reserve	(114,887)	(403,079)	-	-	-	-	(41,763)	(559,729)
Revaluation reserve	1,339,395	-	139,140	74,003	-	-	(32,407)	1,520,131
Retained earnings/ (accumulated losses)	(2,561,147)	1,457,284	665,987	(4,468)	(228,974)	(511,703)	2,071,442	888,420
Shareholders fund	**12,502,279**	**10,226,886**	**3,385,904**	**1,825,697**	**(208,974)**	**(6,836)**	**(9,315,951)**	**18,409,008**
Owners of the parent	12,502,279	10,226,886	3,385,904	1,825,697	(208,974)	(6,836)	(9,315,951)	18,409,008
Non-controlling interests in equity	-	-	9,821	2,401	-	(42,736)	1,497,391	1,466,869
Total equity	12,502,279	10,226,886	3,395,725	1,828,097	(208,974)	(49,572)	(7,818,560)	19,875,877
Total liabilities and equity	**28,028,796**	**54,217,697**	**5,674,632**	**2,445,553**	**44,610**	**1,253,466**	**(7,884,410)**	**83,780,343**

The segment information provided by the Management Underwriting Investment Committee (MUIC) for the reporting segments for the year ended 31 December 2021 is as follows:

	Assurance business				Real estate	Microfinance		
Group	**Mutual Plc Nigeria ₦'000**	**Mutual Ltd Nigeria ₦'000**	**Mutual Niger ₦'000**	**Mutual Liberia ₦'000**	**Mutual Homes ₦'000**	**Mutual Microfinance ₦'000**	**Elimination adjustment ₦'000**	**Total ₦'000**
Gross premium written	13,794,276	11,617,005	3,154,543	733,423	-	-	-	29,299,247
Gross premium income	12,390,218	10,079,104	2,935,675	723,997	-	-	(2)	26,128,991
Premiums ceded to reinsurers	(2,709,943)	(703,624)	(247,006)	(13,155)	-	-	1	(3,673,726)
Net premiums income	**9,680,275**	**9,375,480**	**2,688,669**	**710,842**	**-**	**-**	**(1)**	**22,455,265**
Fee and commission income	676,792	68,683	14,863	-	-	-	(1)	760,337
Net underwriting income	**10,357,067**	**9,444,162**	**2,703,532**	**710,842**	**-**	**-**	**(2)**	**23,215,602**
Net benefits and claims	4,657,566	4,751,142	1,015,479	381,503	-	-	-	10,805,690
Increase in individual life fund	-	850,885	-	-	-	-	-	850,885
Increase in annuity reserve	-	46,196	-	-	-	-	-	46,196
Underwriting expenses	3,514,575	2,420,132	429,394	83,815	-	-	-	6,447,918
Net underwriting expenses	**8,172,141**	**8,068,356**	**1,444,873**	**465,318**	**-**	**-**	**-**	**18,150,689**
Underwriting profit	**2,184,926**	**1,375,805**	**1,258,659**	**245,524**	**-**	**-**	**(2)**	**5,064,913**
Profit on investment contracts	-	397,679	-	-	-	-	-	397,679
Investment income	702,593	518,249	82,990	154,200	-	-	(1)	1,458,031
Net fair value gain/(loss) on assets at FVTPL	(1,463,467)	(4,132,749)	-	-	-	-	-	(5,596,216)
Other income	37,201	17,736	64	-	26,201	107,585	108,678	297,465
Impairment charges	(9,109)	310,124	42,798	(24,376)	(28,252)	(68,144)	(692)	222,350
Employees benefit expenses	(1,034,847)	(626,654)	(215,436)	(113,249)	(500)	(45,870)	-	(2,036,556)
Other management expenses & FX loss	(3,112,310)	(1,033,019)	(561,257)	(276,419)	(550)	(249,793)	(118,015)	(5,351,362)
Result of operating activities	**(2,695,013)**	**(3,172,829)**	**607,818**	**(14,320)**	**(3,100)**	**(256,221)**	**(10,032)**	**(5,543,696)**
Finance costs	(110,612)	-	-	-	-	(31,469)	-	(142,081)
Finance income	-	-	-	-	-	95,711	-	95,711
Profit before income tax	**(2,805,625)**	**(3,172,829)**	**607,818**	**(14,320)**	**(3,100)**	**(191,980)**	**(10,032)**	**(5,590,066)**
Income tax (expense)/benefit	358,139	(37,594)	(161,381)	(168,721)	(753)	103,456	72,211	165,356
Profit for the year	**(2,447,486)**	**(3,210,423)**	**446,437**	**(183,041)**	**(3,853)**	**(88,524)**	**62,179**	**(5,424,710)**
Profit attributable to:								
Owners of the parent	(2,447,486)	(3,210,423)	436,616	(185,441)	(3,853)	(45,788)	(118,997)	(5,575,372)
Non-controlling interests	-	-	9,821	2,401	-	(42,736)	181,176	150,662
	(2,447,486)	**(3,210,423)**	**446,437**	**(183,041)**	**(3,853)**	**(88,524)**	**62,179**	**(5,424,710)**

The segment information provided by the Management Underwriting Investment Committee (MUIC) for the reporting segments as at 31 December 2020 is as follows:

			Assurance business		Real estate		Microfinance	
Group	**Mutual Plc Nigeria ₦'000**	**Mutual Ltd Nigeria ₦'000**	**Mutual Niger ₦'000**	**Mutual Liberia ₦'000**	**Mutual Homes ₦'000**	**Mutual Microfinance ₦'000**	**Elimination adjustment ₦'000**	**Total ₦'000**
Cash and cash equivalents	4,761,993	2,880,279	3,052,381	478,747	311	388,745	(142,310)	11,420,144
Equity instruments at fair value through OCI	60,008	39,117	-	111,500	-	-	(69,980)	140,641
Financial assets at fair value through profit or loss	5,879,688	16,019,591	-	-	-	-	-	21,899,279
Financial assets at amortised cost	7,876,601	22,745,277	-	962,566	-	89,555	-	31,673,998
Financial assets held for trading pledged as collateral	140,648	-	-	-	-	-	-	140,648
Trade receivables	182,138	-	133,491	32,988	-	-	-	348,617
Reinsurance assets	1,885,227	1,862,233	566,940	(2,559)	-	-	-	4,311,840
Other receivables and prepayments	296,349	397,346	35,929	162,156	28,252	8,453	(56,030)	872,455
Deferred acquisition costs	432,422	155,557	-	-	-	-	-	587,978
Finance lease receivables	657	-	-	-	-	-	-	657
Inventories	-	-	-	-	169,799	-	-	169,799
Investment properties	56,000	6,665,000	-	-	-	-	-	6,721,000
Intangible assets	12,706	-	21,230	-	-	12,827	90	46,853
Property, plant and equipment	2,219,816	91,391	707,787	392,950	-	10,113	1,360	3,423,421
Investments in subsidiaries	6,120,000	1,016,981	-	-	-	-	(7,136,980)	-
Statutory deposit	300,000	200,000	-	-	-	-	-	500,000
Deposit for investment in equity shares	-	100,000	-	-	-	-	(100,000)	-
Deferred tax assets	91,556	469,865	-	-	-	-	50,660	612,077
Total assets	**30,315,809**	**52,642,637**	**4,517,758**	**2,138,348**	**198,362**	**509,693**	**(7,453,190)**	**82,869,407**

The segment information provided by the Management Underwriting Investment Committee (MUIC) for the reporting segments as at 31 December 2020 is as follows:

Group		Assurance business			Real estate		Microfinance	
	Mutual Plc Nigeria	**Mutual Ltd Nigeria**	**Mutual Niger**	**Mutual Liberia**	**Mutual Homes**	**Mutual Microfinance**	**Elimination adjustment**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
LIABILITIES								
Insurance contract liabilities	7,428,602	8,871,956	1,008,208	263,517	-	-	-	17,572,283
Investment contract liabilities	-	28,447,267	-	-	-	-	-	28,447,267
Trade payables	756,603	958,905	405,958	5,539	-	-	-	2,127,006
Other liabilities	1,954,097	1,034,044	298,801	116,988	353,479	150,766	(498,890)	3,409,284
Deposit liabilities	-	-	-	-	-	301,618	-	301,618
Borrowings	3,890,130	-	-	-	-	-	-	3,890,130
Current income tax liabilities	616,987	167,428	-	55,571	49,996	14,722	-	904,704
Deferred tax liabilities	659,568	-	-	-	8	3,636	865,370	1,528,578
Total liabilities	15,305,987	39,479,600	1,712,967	441,615	403,483	470,742	366,480	58,180,870
EQUITY								
Share capital	5,586,367	8,002,500	1,295,010	488,421	20,000	504,867	(10,310,798)	5,586,367
Treasury shares	(250)	-	-	-	-	-	-	(250)
Deposit for Shares	4,800,000	-	-	-	-	-		4,800,000
Share premium	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	1,141,360	953,334	-	-	(933,092)	1,161,602
Contingency reserve	3,118,041	1,054,012	-	-	-	-	6	4,172,059
Fair value reserve	(133,900)	(176,942)	-	-	-	-	(568,095)	(878,937)
Revaluation reserve	1,339,395	-	139,140	74,003	-	-	(32,407)	1,520,131
Retained earnings/ (accumulated losses)	300,169	4,283,468	219,550	178,572	(225,121)	(480,475)	2,717,624	6,993,787
Shareholders fund	**15,009,822**	**13,163,038**	**2,795,060**	**1,694,330**	**(205,121)**	**24,392**	**(9,126,762)**	**23,354,759**
Owners of the parent	15,009,822	13,163,038	2,795,060	1,694,330	(205,121)	24,392	(9,126,762)	23,354,759
Non-controlling interests in equity	-	-	9,821	2,401	-	14,560	1,306,996	1,333,778
Total equity	15,009,822	13,163,038	2,804,881	1,696,731	(205,121)	38,952	(7,819,766)	24,688,537
Total liabilities and equity	**30,315,809**	**52,642,638**	**4,517,848**	**2,138,346**	**198,362**	**509,694**	**(7,453,289)**	**82,869,407**

The segment information provided by the Management Underwriting Investment Committee (MUIC) for the reporting segments for the year ended 31 December 2020 is as follows:

Group	Assurance business				Real estate	Microfinance		
	Mutual Plc Nigeria ₦'000	Mutual Ltd Nigeria ₦'000	Mutual Niger ₦'000	Mutual Liberia ₦'000	Mutual Homes ₦'000	Mutual Microfinance ₦'000	Elimination adjustment ₦'000	Total ₦'000
Gross premium written	9,207,506	8,433,063	1,763,513	579,760	-	-	-	19,983,843
Gross premium income	8,398,764	8,525,403	1,888,264	615,944	-	-	(2)	19,428,373
Premiums ceded to reinsurers	(2,262,009)	(947,345)	(133,537)	(6,450)	-	-	-	(3,349,341)
Net premiums income	6,136,755	7,578,058	1,754,727	609,494	-	-	(2)	16,079,032
Fee and commission income	519,547	179,529	22,129	-	-	-	-	721,205
Net underwriting income	6,656,302	7,757,587	1,776,856	609,494	-	-	(2)	16,800,237
Net benefits and claims	3,556,150	3,577,780	789,629	72,153	-	-	-	7,995,711
Increase in individual life fund	-	192,942	-	-	-	-	-	192,942
Decrease in annuity reserve	-	3,997	-	-	-	-	(1)	3,996
Underwriting expenses	2,147,094	2,191,949	513,830	78,628	-	-	-	4,931,501
Net underwriting expenses	5,703,244	5,966,668	1,303,459	150,781	-	-	(1)	13,124,150
Underwriting profit	953,058	1,790,919	473,397	458,713	-	-	(1)	3,676,087
Profit on investment contracts	-	416,303	-	-	-	-	-	416,303
Investment income	1,135,155	1,283,258	95,336	85,539	-	-	-	2,599,288
Net fair value gain/(loss) on assets at FVTPL	1,127,088	2,165,343	-	-	-	-	-	3,292,431
Other income	1,616,965	892	1,442	-	2,475	9,141	4,303	1,635,218
Impairment charge no longer required	-	-	-	-	-	-	-	-
Impairment reversal/ (charges)	(86,123)	(896,584)	(2,302)	(43,885)	-	(93,625)	200,884	(921,635)
Employees benefit expenses	(989,293)	(626,356)	(153,482)	(106,258)	(1,125)	(40,967)	-	(1,917,481)
Other management expenses & FX loss	(1,861,435)	(1,057,028)	(300,222)	(272,204)	(266,932)	(47,055)	58,071	(3,746,805)
Result of operating activities	1,895,415	3,076,746	114,169	121,904	(265,582)	(172,506)	263,257	5,033,406
Finance costs	(13,088)	-	-	-	-	(10,263)	-	(23,351)
Finance income	-	-	-	-	-	31,970	-	31,970
Profit before income tax	1,882,327	3,076,746	114,169	121,904	(265,582)	(150,799)	263,257	5,042,025
Income tax (expenses)/benefit	(19,471)	246,931	(144,725)	(45,412)	30,308	(445)	(1)	67,184
Profit for the year	1,862,856	3,323,677	(30,557)	76,492	(235,274)	(151,244)	263,256	5,109,209
		826,383						
Profit attributable to:								
Owners of the parent	1,862,856	3,323,677	(40,378)	74,091	(235,274)	(108,508)	263,256	5,131,816
Non-controlling interests	-	-	9,821	2,401	-	(42,736)	-	(22,607)
	1,862,856	**3,323,677**	**(30,557)**	**76,492**	**(235,274)**	**(151,244)**	**263,256**	**5,109,209**

4. Gross premium income

	Notes	GROUP 2021 ₦'000	GROUP 2020 ₦'000	COMPANY 2021 ₦'000	COMPANY 2020 ₦'000
4.1 Gross premium written					
Non-life		17,284,726	11,347,783	13,794,276	9,207,506
Life (Group life and individual life)		12,014,521	8,636,060	-	-
		29,299,247	**19,983,843**	**13,794,276**	**9,207,506**
Changes in unearned premium					
Non-life		(1,622,927)	(683,992)	(1,404,058)	(808,742)
Life (Group life and individual life)		(1,547,329)	128,522	-	-
		(3,170,256)	(555,470)	(1,404,058)	(808,742)
Gross premium income	**35.2.i**	**26,128,991**	**19,428,373**	**12,390,218**	**8,398,764**
4.2 Premiums ceded to reinsurers					
Outward premium - Non life		3,427,293	2,353,237	3,167,134	2,213,249
Outward premium - life		703,624	947,345	-	-
Changes in prepaid re-insurance		(457,191)	48,759	(457,191)	48,760
	24.3	**3,673,726**	**3,349,341**	**2,709,943**	**2,262,009**
4.3 Net premium income		**22,455,265**	**16,079,032**	**9,680,275**	**6,136,755**
5 Fees and commission income					
Commission received from reinsurance		759,365	721,185	675,820	519,527
Commission received from co-insurance		972	20	972	20
		760,337	**721,205**	**676,792**	**519,547**
6 Net benefits and claims					
Claims paid		11,950,632	7,954,688	5,531,210	3,146,778
Change in outstanding claims		1,824,521	2,237,506	1,124,995	1,591,352
Claims recoveries	24.2	(2,807,789)	(1,373,507)	(1,921,172)	(318,640)
Change in outstanding claims - Reinsurers	24.1	(161,674)	(822,976)	(77,467)	(863,339)
		10,805,690	**7,995,711**	**4,657,566**	**3,556,150**
7 Underwriting expenses					
Amortisation of deferred acquisition costs	26.1	3,017,407	2,648,698	1,759,456	1,418,555
Maintenance costs	7.1	3,430,511	2,282,803	1,755,119	728,539
		6,447,918	**4,931,501**	**3,514,575**	**2,147,094**

Underwriting expenses can be sub-divided into commission expenses (acquisition costs) and maintenance costs. Commission expenses are those incurred in obtaining and renewing insurance contracts. They include commissions or brokerage paid to agents or brokers and any other indirect expenses. Maintenance costs are those incurred in servicing existing policies/contracts. These include processing costs, preparation of statistics and reports, and other incidental costs attributable

7.1 Maintenance costs

	Notes	GROUP 2021 ₦'000	GROUP 2020 ₦'000	COMPANY 2021 ₦'000	COMPANY 2020 ₦'000
Superintending and surveyors fees		802,065	98,173	802,065	98,173
Marketing expenses		1,031,152	777,995	382,902	195,784
Agency allowance		469,384	381,071	104,912	54,426
Training and Forum for marketers		336,747	350,024	-	-
Agency unit manager allowance		247,088	220,754	-	-
Tracking expenses on insured vehicles		86,694	50,595	86,694	50,595
Transport & travelling-corporate		40,000	40,765	-	-
Agency expenses on travel insurance business		188,054	151,722	188,054	151,722
Stamp duty expenses		16,416	14,917	-	-
Administrative charges-Group Life		13,559	11,084	-	-
Agency expenses on vehicle insurance business		188,392	175,739	188,392	175,739
Agency training		3,802	5,114	-	-
Actuary valuation report fee		6,100	3,300	2,100	2,100
Underwriting medical expenses		1,058	1,550	-	-
		3,430,511	**2,282,803**	**1,755,119**	**728,539**

8 Profit on investment contracts

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Interest income		2,781,907	3,077,528	-	-
Surrender fee		409,518	393,762	-	-
Rental income derived from investment properties		177,674	210,041	-	-
Investment related expenses	8.1	(161,526)	(56,726)	-	-
Acquisition cost on investment policies		(1,381,894)	(1,061,868)	-	-
Guaranteed interest		(1,428,000)	(2,146,434)	-	-
		397,679	**416,303**	**-**	**-**
8.1 Investment related expenses					
Property repairs and maintenance cost		17,060	20,289	-	-
Facility management		2,230	6,437	-	-
Loss on disposal of Investment properties		142,236	30,000	-	-
		161,526	**56,726**	**-**	**-**
9 Investment income					
9.1 Investment income from Insurance contracts:					
Interest income on loans and advances		11,199	32,350	9,115	9,032
Dividend income		2,030	19,846	2,030	16,066
Interest income on fixed term deposits		370,439	297,459	33,813	56,171
Interest income on lease		39,149	4,683	39,149	4,683
Interest from current accounts with banks		315	1,334	214	63
Interest income from treasury bills		629,910	1,324,928	268,944	461,792
Rental income		11,610	13,570	11,610	13,570
Total		**1,064,652**	**1,694,170**	**364,875**	**561,377**
9.2 Investment income from Shareholders funds:					
Interest income on fixed term deposits		57,076	103,139	14,898	24,749
Interest income on bonds		308,843	508,008	308,843	508,008
Interest income on statutory deposit		12,707	65,235	7,624	39,141
Interest from current accounts with banks		10,680	3,356	6,353	1,880
Interest income from treasury bills		4,074	225,380	-	-
		393,380	**905,118**	**337,718**	**573,778**
Total		**1,458,031**	**2,599,288**	**702,593**	**1,135,155**

* All interest income are calculated using effective interest method.

10. Net fair value (loss)/gain on assets at FVTPL					
Fair value gains on quoted equity shares	21.2.2	5,468	20,865	5,468	20,865
Fair value (losses)/gains on financial assets held for trading pledged as collateral	22	(3,365)	16,906	(3,365)	16,906
Fair value (losses)/gains on Quoted Bonds	21.2.1.1	(5,609,088)	3,324,660	(1,465,570)	1,089,317
Fair value loss on investment properties	29	10,769	(70,000)	-	-
		(5,596,216)	**3,292,431**	**(1,463,467)**	**1,127,088**
11 Other income					
Profit on sale of property, plant and equipment		3,155	8,145	2,240	2,950
Net income from sale of inventory materials		150,650	2,475	-	-
Micro finance fees and commission income		107,357	7,441	-	-
Gain on extinguishment of Loan	40.4	-	1,575,803	-	1,575,803
Commissions on turnover		229	1,700	-	-
Management fee on licensing business		34,739	37,904	34,739	37,904
Others		1,113	1,442	-	-
Insurance claim received		222	308	222	308
		297,465	**1,635,218**	**37,201**	**1,616,965**
12. Impairment (reversal)/charge on financial assets					
Cash & cash equivalents	3.1.2(v) (a)	(9,054)	9,802	8,437	350
Financial assets at amortised cost - Loans and receivables	21.3.1.3	(440,914)	363,123	(595)	(586)
Financial assets at amortised cost - Treasury bills	3.1.2(v) (c)	3,220	(300)	699	852
Trade receivables	23.1.1	24,379	43,885	-	-
Other receivables	25.5	200,668	420,977	1,218	1,359
Finance lease receivables	27.2	(650)	84,149	(650)	84,149
		(222,350)	**921,635**	**9,109**	**86,123**

13 Employee benefit expenses

	Notes	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
		₦'000	₦'000	₦'000	₦'000
Wages and salaries		1,947,466	1,765,090	976,237	866,500
Defined contribution pension costs		89,090	152,391	58,610	122,793
		2,036,556	**1,917,481**	**1,034,847**	**989,293**

In line with the provisions of the Pension Reform Act 2014, the Company instituted a contributory pension scheme for all its employees. Its employees each contributes 8% of employees' annual insurable earnings (basic pay, transport and housing allowance), while the employer contributes 10% to the scheme. Staff contributions to the scheme are funded through payroll deductions while the entity's contribution is charged each year to the statement of profit or loss as staff cost.

14 Management expenses

	Notes	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
		₦'000	₦'000	₦'000	₦'000
Amortisation of intangible assets	31	116,345	13,436	5,682	11,251
Repairs and Maintenance		479,074	420,015	289,852	156,936
Directors fee and allowances		491,276	336,490	363,892	265,109
Legal and consultancy fe es	14.2	518,979	473,066	366,397	321,606
Training and recruitment		168,723	243,340	98,188	187,124
Rents and Rates*		117,846	120,875	51,783	38,106
Transport and travelling		105,692	68,213	71,381	48,873
Insurance supervisory fee		398,378	414,970	139,541	116,985
Bank charges		175,193	116,169	100,895	31,245
Public relations and advertising		373,317	260,440	273,931	159,953
Medical expenses		60,766	63,477	30,066	29,654
Motor vehicle running expenses		186,298	166,203	50,555	47,711
Telecommunication expenses		77,907	99,000	33,603	49,485
Other expenses	14.1	238,481	140,345	42,528	36,335
Depreciation of property, plant and equipment	32	323,867	358,967	184,860	253,170
Business entertainments		112,734	95,279	93,032	72,198
Utilities		59,558	51,250	49,888	38,240
Printing and stationery		96,945	77,807	25,115	17,929
Donations		9,095	3,990	6,330	3,990
Auditors' remuneration		40,921	38,432	18,000	18,000
Insurance		25,139	30,337	20,132	21,269
Security expenses		29,527	30,422	15,085	18,163
Subscriptions		53,754	31,117	18,617	17,375
Conference and seminar expenses		79,721	24,215	79,721	24,214
Office general expenses		122,267	26,318	122,267	26,318
Newspapers and periodicals		392	236	147	66
Bad debt written off		168,727	2,110	-	-
Write-down of inventory	14.3	125,500	266,357	-	-
		4,756,422	**3,959,046**	**2,551,488**	**2,011,304**

*Rent and Rates includes payment for rent and service charge on facilities for a period not more than 1 year.

14.1 Other expenses

Other expenses include professional fees (N92m), social security taxes (N124m) and business development expenses (N21m).

14.2 During the financial year ended 2021, EY performed non-audit services relating to support for the implementation of IFRS 17. The fee for the services was N12million. These services, in the Company's opinion, did not impair the independence and objectivity of the external auditor.

14.3 Write-down of inventory

The Group recognised a write-down of inventory on its real estate inventory items (building material) from their cost value to net realisable value.

15 Net foreign exchange (loss)/gain

	Notes	GROUP 2021 ₦'000	GROUP 2020 ₦'000	COMPANY 2021 ₦'000	COMPANY 2020 ₦'000
Net foreign exchange gain/(loss) on foreign bank balances		(207,351)	212,241	(173,233)	149,869
Net foreign exchange gain/(loss) on foreign loan	40.1	(387,589)	-	(387,589)	-
		(594,940)	**212,241**	**(560,822)**	**149,869**

16 Finance costs

Interest expense calculated using the effective interest method:

	Notes	GROUP 2021 ₦'000	GROUP 2020 ₦'000	COMPANY 2021 ₦'000	COMPANY 2020 ₦'000
Interest on loans and overdraft	40.1	110,612	13,088	110,612	13,088
Interest charge on deposits		31,160	9,727	-	-
Other charges		309	536	-	-
		142,081	**23,351**	**110,612**	**13,088**
17 Finance income					
Interest income calculated using the effective interest method:					
Interest income on Micro loans		94,943	31,561	-	-
Interest income on overdraft		34	-	-	-
Interest income on treasury bills		734	409	-	-
		95,711	**31,970**	**-**	**-**
18 Income tax expense/(credit)					
18.1 Current income tax charge					
Company income tax		184,968	259,309	-	68,710
Education tax		-	7,268	-	7,268
Information technology tax		-	50,334	-	18,954
Minimum tax		40,910	7,115	30,976	-
Over provision of tax in prior years		(199,856)	-	(246,026)	-
Total current income tax expense		**26,022**	**324,025**	**(215,051)**	**94,932**
18.2 Deferred tax					
Relating to origination and reversal of temporary differences					
Deferred tax liability	42.1	(224,975)	(79,948)	(140,355)	(49,624)
Deferred tax asset	34	33,596	(311,261)	(2,733)	(25,837)
Total deferred tax expense		(191,379)	(391,209)	(143,088)	(75,461)
Total income tax (credit) / expense		**(165,356)**	**(67,184)**	**(358,139)**	**19,471**

Reconciliation of income tax charge

	Notes	GROUP 2021 ₦'000	GROUP 2020 ₦'000	COMPANY 2021 ₦'000	COMPANY 2020 ₦'000
(Loss) / profit before income tax		(5,590,066)	5,042,025	(2,805,625)	1,882,327
Tax at Nigerian's statutory income tax rate of 30% (2020: 30%)		(1,677,020)	1,512,608	(841,688)	564,698
Effect of:					
Tax exempt income		(1,065,053)	(4,187,138)	698,599	(571,449)
Expenses not deductible for tax purposes		2,735,663	2,542,630	-	-
Prior year over provision of tax		(199,856)	-	(246,026)	-
Information technology tax		-	50,334	-	18,954
Education tax		-	7,268	-	7,268
Mininum tax		40,910	7,115	30,976	-
		(165,356)	**(67,184)**	**(358,139)**	**19,471**
Effective Tax Rate		3%	-1%	13%	1%

The Company was assessed based on minimum tax: In line with Section 16, of Companies Income Tax Act 2004 (as amended by the Finance Act, 2020)

19 (Loss)/earnings per share

19.1 (Loss)/earnings per share - Basic

Basic (loss)/earnings per share is calculated by dividing the loss/profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
(Loss)/profit attributable to equity holders		(5,575,372)	5,131,816	(2,447,486)	1,862,856
Weighted average number of ordinary shares for basic earnings per share	19.2	15,531,442	11,172,234	15,531,442	11,172,234
Basic (loss)/earnings per ordinary share (kobo)		(36)	46	(16)	17
19.2 Weighted average number of ordinary shares - basic					
Issued ordinary shares at 1 January		11,172,734	11,172,734	11,172,734	11,172,734
Effect of treasury shares held at 1 January		(500)	(500)	(500)	(500)
Issued during the year		4,359,209	-	4,359,209	-
As at 31 December		15,531,442	11,172,234	15,531,442	11,172,234
Weighted average number of ordinary shares for basic earnings per share in line with IAS 33		15,531,442	11,172,234	15,531,442	11,172,234

On 28 June 2021, the Company concluded its private placement of 8,888,888,889 ordinary shares of 50 kobo each in which N4.8 billion was raised from two shareholders. The shares were issued at 54 kobo per share.

20 Cash and cash equivalents

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Cash on hand		3,964	3,482	2,018	2,111
Cash in banks	20.1	4,659,974	7,285,936	251,140	3,780,661
Short-term deposits	20.1	9,557,144	4,196,424	2,480,128	984,942
		14,221,082	11,485,842	2,733,286	4,767,714
Expected credit loss allowance	3.1.2 (v)(a)	(56,644)	(65,698)	(14,159)	(5,721)
		14,164,438	**11,420,144**	**2,719,127**	**4,761,993**

20.1 Cash and cash equivalents

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group. All short-term deposits are subject to an average variable interest rate of 4% per annum (2020: 2.4%).

For the purpose of the statement of cash flows, the cash and cash equivalents consist of cash and short-term deposits, as defined above and are subject to insignificant change in fair value, and used by the Group to manage its short term cash commitments.

21 Financial assets

The Group's financial assets are summarized below by measurement category:

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Equity instruments at fair value through OCI	21.1	459,849	140,641	79,021	60,008
Financial assets at fair value through profit or loss	21.2	3,239,653	21,899,279	1,499,610	5,879,688
Financial assets at amortised cost	21.3	47,711,125	31,673,998	11,195,891	7,876,601
		51,410,627	**53,713,918**	**12,774,522**	**13,816,297**
Current		37,315,956	21,462,895	11,211,121	7,784,897
Non-current		14,094,671	32,251,023	1,563,401	6,031,400
		51,410,627	**53,713,918**	**12,774,522**	**13,816,297**

21.1 Equity Instruments at fair value through OCI

Group	Balance as at 1 January 2021 ₦'000	Additions during the year ₦'000	Disposals during the year ₦'000	Fair value Movement ₦'000	Balance as at 31 December 2021 ₦'000
The Infrastructure Bank Plc	18,121	-	-	275,745	293,866
Leasing Company of Liberia	41,516	-	-	25,920	67,436
Avanage	20,996	-	-	(1,470)	19,526
WAICA Reinsurance Corporation Plc	60,008	-	-	19,013	79,021
	140,641	**-**	**-**	**319,208**	**459,849**

	Balance as at 1 January 2020 ₦'000	Additions during the year ₦'000	Disposals during the year ₦'000	Fair value Movement ₦'000	Balance as at 31 December 2020 ₦'000
The Infrastructure Bank Plc	189,627	-	-	(171,506)	18,121
Leasing Company of Liberia	72,066	-	-	(30,550)	41,516
Avanage	26,432	-	-	(5,436)	20,996
WAICA Reinsurance Corporation Plc	57,842	-	-	2,166	60,008
	345,967	**-**	**-**	**(205,326)**	**140,641**

Company	Balance as at 1 January 2021 ₦'000	Additions during the year ₦'000	Disposals during the year ₦'000	Fair value Movement ₦'000	Balance as at 31 December 2021 ₦'000
WAICA Reinsurance Corporation Plc	60,008	-	-	19,013	79,021
	60,008	**-**	**-**	**19,013**	**79,021**

	Balance as at 1 January 2020 ₦'000	Additions during the year ₦'000	Disposals during the year ₦'000	Fair value Movement ₦'000	Balance as at 31 December 2020 ₦'000
WAICA Reinsurance Corporation Plc	57,842	-	-	2,166	60,008
	57,842	**-**	**-**	**2,166**	**60,008**

21.2 Financial assets at fair value through profit or loss

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Quoted Bonds	21.2.1	3,142,897	21,807,991	1,402,854	5,788,400
Quoted Shares	21.2.2	96,756	91,288	96,756	91,288
		3,239,653	**21,899,279**	**1,499,610**	**5,879,688**

21.2.1 Quoted Bonds

		GROUP		COMPANY	
	Notes	2021 ₦'000	2020 ₦'000	2021 ₦'000	2020 ₦'000
Federal Government of Nigeria Bonds		3,142,897	21,807,991	1,402,854	5,788,400
		3,142,897	21,807,991	1,402,854	5,788,400
Current		-	-	-	-
Non-current		3,142,897	21,807,991	1,402,854	5,788,400
		3,142,897	**21,807,991**	**1,402,854**	**5,788,400**

The breakdown of the Group's bonds at the reporting date are analysed below:

Bond	Coupon Rate	Settlement Date ₦'000	Maturity Date ₦'000	Face Value ₦'000	Fair Value ₦'000
Federal Government of Nigeria	12.15%	16/10/2019	18/07/2034	1,720,000	1,740,043
Federal Government of Nigeria	12.40%	16/10/2019	18/03/2036	1,395,000	1,402,854
				3,115,000	**3,142,897**

21.2.1.1 The movement in Quoted Bonds

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
At 1 January		21,807,991	7,645,303	5,788,400	3,353,930
Additions during the year		-	10,344,408	-	1,220,320
Accrued interest income		144,325	493,620	49,287	124,833
Redemption at maturity or disposal		(13,200,330)	-	(2,969,263)	-
Fair value adjustments through profit or loss	10	(5,609,088)	3,324,660	(1,465,570)	1,089,317
At 31 December		**3,142,897**	**21,807,991**	**1,402,854**	**5,788,400**

21.2.2 Quoted Equity Shares

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Quoted shares		96,756	91,288	96,756	91,288
Movement in listed entities					
At 1 January		91,288	23,914	91,288	23,914
Addition		-	46,509	-	46,509
Fair value gains/ (losses)	10	5,468	20,865	5,468	20,865
At 31 December		**96,756**	**91,288**	**96,756**	**91,288**

21.2.2.1 Analysis of investment in listed entities

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Africa Prudential Registrars Plc		546	537	546	537
Access Bank of Nigeria Plc		15,662	14,231	15,662	14,231
Cadbury Plc		1,207	1,234	1,207	1,234
Ecobank Transnational Inc		150	103	150	103
First Bank Holdings Plc		23,826	14,944	23,826	14,944
First City Monument Bank Plc		413	461	413	461
Guaranty Trust Bank Plc		6,016	7,485	6,016	7,485
Sterling Bank Plc		11,397	15,398	11,397	15,398
United Bank for Africa Plc		22,835	24,537	22,835	24,537
UBA Capital Plc		3,404	1,619	3,404	1,619
Unity Bank Plc		29	34	29	34
Universal Insurance Company Plc		1,000	1,000	1,000	1,000
Wema Bank Plc		72	69	72	69
Lafarge WAPCO Plc		3,900	3,428	3,900	3,428
Coronation Insurance Plc		11	8	11	8
Zenith International Bank Plc		6,288	6,200	6,288	6,200
		96,756	91,288	96,756	91,288

21.3 Financial assets at amortised cost

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Loans and receivables	21.3.1	14,498,475	12,849,870	163,096	250,916
Treasury bills	21.3.2	33,212,650	18,824,128	11,032,795	7,625,685
		47,711,125	**31,673,998**	**11,195,891**	**7,876,601**

21.3.1 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the Group intends to sell in the short term or that it has designated as at fair value through profit or loss or available for sale. Details of balances of loans and receivables at the year end are as presented below:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Term loans	21.3.1.2	14,693,406	13,357,742	74,866	167,730
Overdrafts		10,655	59,052	-	-
Staff loans		185,216	264,792	88,962	84,513
Gross loans and advances		14,889,277	13,681,586	163,828	252,243
Expected credit loss allowance	21.3.1.3	(390,802)	(831,716)	(732)	(1,327)
		14,498,475	12,849,870	163,096	250,916
Current		4,006,550	2,547,479	81,570	67,924
Non-current		10,491,925	10,302,391	81,526	182,992
		14,498,475	12,849,870	163,096	250,916

21.3.1.1 The movement in loans and receivables:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Balance as at 1 January		13,681,586	11,649,855	252,243	279,023
Additions during the year		1,915,881	141,133	70,209	20,537
Interest on loan		1,846,314	2,015,683	9,115	9,032
Amounts written off		(168,727)	(2,110)	-	-
Payments received		(2,385,777)	(122,975)	(167,739)	(56,349)
Balance as at 31 December		14,889,277	13,681,586	163,828	252,243

21.3.1.2 Term loans

The Company granted loans to staff, related companies and third parties for income generation, the break down of loans and receivables granted are as stated below:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Prime Exploration and Production Limited		12,484,684	12,073,638	-	-
Staff mortgage loan		74,865	167,730	74,866	167,730
Other loans to corporates and individuals		2,133,857	1,116,374	-	-
Gross term loans		14,693,406	13,357,742	74,866	167,730

21.3.1.3 Impairment on loans and receivables

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Balance as at 1 January		831,716	468,593	1,327	1,913
Expected credit loss (reversal) / charge	12	(440,914)	363,123	(595)	(586)
Balance as at 31 December		390,802	831,716	732	1,327

21.3.1.4 Loans concentration

The Group monitors concentration of credit risk by borrowers; individual or corporate.

	GROUP Individuals	GROUP Loans to corporate	COMPANY Individuals	COMPANY Loans to corporate
31 December 2021				
Gross	991,034	13,898,243	163,828	-
Expected credit loss allowance	(138,904)	(251,898)	(732)	-
Net Balance	852,130	13,646,345	163,096	-
31 December 2020				
Gross	509,969	13,171,617	177,243	75,000
Expected credit loss allowance	(93,752)	(737,964)	(1,009)	(318)
Net Balance	416,217	12,433,653	176,234	74,682

21.3.2 Treasury bills

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Federal Government of Nigeria Treasury Bills		33,220,961	18,829,219	11,035,555	7,627,747
	21.3.2.1	33,220,961	18,829,219	11,035,555	7,627,747
Expected credit loss (ECL) allowance	3.1.2 (v)(c)	(8,311)	(5,091)	(2,760)	(2,062)
		33,212,650	18,824,128	11,032,795	7,625,685
Current		33,212,650	18,824,128	11,032,795	7,625,685
Non-current		-	-	-	-
		33,212,650	18,824,128	11,032,795	7,625,685

21.3.2.1 The movement in treasury bills

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance as at 1 January		18,829,219	23,382,943	7,627,747	5,258,379
Additions during the year		49,801,150	19,139,067	11,377,466	8,000,249
Accrued interest income		521,987	105,943	183,105	43,270
Redemption at maturity		(35,931,395)	(23,798,734)	(8,152,762)	(5,674,151)
Balance as at 31 December		33,220,961	18,829,219	11,035,555	7,627,747

22 Financial assets held for trading pledged as collateral

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Listed equity instrument balance at 1 January		140,648	123,742	140,648	123,742
Fair value (losses)/gains	10	(3,365)	16,906	(3,365)	16,906
Balance at 31 December		137,283	140,648	137,283	140,648
Current		137,283	140,648	137,283	140,648
Non-current		-	-	-	-
		137,283	140,648	137,283	140,648

These are quoted financial instruments held on lien by providers of short term borrowings for the purpose of securing the debt. The debt providers maintain posession of the Quoted instruments but do not have ownership unless default. Pledged assets are measured at fair value as at year end.

Mutual Benefits Assurance Plc purchased quoted shares of ₦400 million with a Margin facility from Guaranty Trust Bank Plc (see Note 40).There is an on-going litigation on this investment arising from the additional investment cover requested for by the Bank due to the fall in the value of the shares purchased which was rejected by the Company.

The directors, having sought the advice of professional counsel, are of the opinion that no significant liability will crystalise from this litigation therefore, fair value gain/(loss) has been recognized in the consolidated and separate financial statements.

The movement in the carrying amount is the fair value change in respect of the market price as at year end.

23 Trade receivables

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Trade receivables	23.1	425,908	348,617	57,882	182,138
Current		425,908	348,617	57,882	182,138
Non-current		-	-	-	-
		425,908	348,617	57,882	182,138

Trade receivables are not interest bearing and are generally on terms of 30 to 90 days.

23.1 Analysis of insurance receivables by counter party

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Gross					
Due from insurance brokers		518,045	416,375	57,882	182,138
		518,045	**416,375**	**57,882**	**182,138**
Allowance for impairment					
Due from insurance brokers		(92,137)	(67,758)	-	-
		(92,137)	(67,758)	-	-
		425,908	**348,617**	**57,882**	**182,138**

23.1.1 Analysis of movement in ECL as at 31 December 2021

Balance at 1 January	67,758	23,873	-	-
Additions during the year	24,379	43,885	-	-
	92,137	67,758	-	-

23.1.2 The age analysis of gross insurance receivables as at the end of the year are as follows:

0 – 30 days	312,495	293,124	57,882	182,138
31 - 60 days	113,413	55,493	-	-
61 – 180 days	92,137	67,758	-	-
	518,045	**416,375**	**57,882**	**182,138**

24 Reinsurance assets

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Reinsurance share of outstanding claims	24.1	1,555,232	1,393,558	1,417,790	1,340,323
Reinsurance receivable		716,029	641,561	32,800	74,621
Co-assurance claims receivable	24.2	1,410,541	1,754,576	11,471	3,210
Prepaid reinsurance	24.3	974,668	522,145	924,263	467,073
		4,656,470	**4,311,840**	**2,386,324**	**1,885,227**
Current		4,656,470	4,311,840	2,386,324	1,885,227
Non-current		-	-	-	-
		4,656,470	**4,311,840**	**2,386,324**	**1,885,227**

Reinsurance receivables are to be settled on demand and the carrying amount is not significantly different from their fair value.

24.1 The movement in reinsurers' share of claims reported and loss adjustment expenses is as follows:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
At 1 January		1,393,558	570,582	1,340,323	476,984
Changes in reinsurer's share of outstanding claims	6	161,674	822,976	77,467	863,339
At 31 December		**1,555,232**	**1,393,558**	**1,417,790**	**1,340,323**

24.2 The movement in co-assurance claims receivable

At 1 January		1,754,576	2,247,275	3,210	285,651
Addition during the year	6	2,807,789	1,373,507	1,921,172	318,640
Receipts during the year		(3,151,824)	(1,866,206)	(1,912,911)	(601,081)
at 31 December		**1,410,541**	**1,754,576**	**11,471**	**3,210**

24.3 The movement in prepaid reinsurance

At 1 January		522,145	587,760	467,073	515,832
Additions during the year		4,126,249	3,283,726	3,167,133	2,213,250
Recognised in profit or loss	4.2	(3,673,726)	(3,349,341)	(2,709,943)	(2,262,009)
At 31 December		**974,668**	**522,145**	**924,263**	**467,073**

25 Other receivables and prepayments

		GROUP		COMPANY	
	Notes	31 Dec-2021	31 Dec-2020	31 Dec-2021	31 Dec-2020
Gross		₦'000	₦'000	₦'000	₦'000
Prepayments	25.1	156,997	92,034	87,799	34,614
WHT recoverable		101,080	155,327	-	41,337
Advance commission		6,653	9,750	-	-
ATM Receivables		529	6,140	-	-
Other bank debtors	25.2	6,690	-	-	-
Deposit for shares in Mutuals Benefits MFB Limited		-	-	100,000	22,000
Deposit for shares in Mutual Exploration and Production Ltd		7,238	7,238	7,238	7,238
Directors current account		44,279	40,529	44,279	40,529
Other receivables	25.3	1,453,264	1,134,811	354,332	232,511
		1,776,730	1,446,433	593,648	378,229
Allowance for impairment charges on other receivables	25.4	(774,646)	(573,978)	(83,097)	(81,880)
		1,002,084	**872,455**	**510,551**	**296,349**
Current		1,002,084	872,455	510,551	296,349
Non-current		-	-	-	-
		1,002,084	**872,455**	**510,551**	**296,349**

25.1 Prepayment is made up of prepaid rent, prepaid staff benefits and advance payments.

25.2 This is made up of reversals in the bank statement of the Company by the Bank but with inadequate information to determine the reason for the reversal. The entry is corrected once the detailed information is obtained from the bank.

25.3 Analysis of other receivables is as shown below:

		GROUP		COMPANY	
	Notes	31 Dec-2021	31 Dec-2020	31 Dec-2021	31 Dec-2020
		₦'000	₦'000	₦'000	₦'000
Non-financial instruments					
Excess interest charges		6,390	6,390	-	-
VAT input recoverable on investment property		176,500	176,500	-	-
Other trade receivables		148,877	129,996	-	-
Balance held in Polaris Bank Plc		2,533	2,533	2,533	2,533
Balance held in Guaranty Trust Bank Plc		61,067	61,067	61,067	61,067
Balance held in Unity Bank Plc		1	1	1	1
		395,368	376,487	63,601	63,601
Financial instruments					
Receivables from property buyers		25,127	25,127	-	-
Property development debtors		3,123	12,455	-	-
Rent receivables		358,500	212,267	-	-
Investment placement with Flourish Securities Investments and Trust Limited		7,129	7,129	-	-
Investment placement with BGL Securities Limited		38,753	38,753	-	-
Investment placement with Profound Securities		16,757	16,757	16,757	16,757
Others *		608,507	445,836	273,974	152,153
		1,057,896	758,324	290,731	168,910
		1,453,264	**1,134,811**	**354,332**	**232,511**

* These relate to staff housing upfront, receivable on disposal of Mutual Tulip Estate, etc.

25.4 Expected credit loss on other receivables

Set out below is the information about the credit exposure on the Group's other receivables items using a provision matrix. The loss allowance provision as at 31 December 2021 has also incorporated forward looking information.

2021		**GROUP**		**COMPANY**	
	Expected ratio	**Carrying amount at default ₦'000**	**Expected credit loss ₦'000**	**Carrying amount at default ₦'000**	**Expected credit loss ₦'000**
Current	1%	779,240	7,792	273,974	2,740
More than 30 days past due	4%	-	-	-	-
More than 60 days past due	7%	-	-	-	-
More than 90 days past due	12%	-	-	-	-
More than 180 days past due	50%	16,500	8,250	-	-
Individual impairment:					
WHT recoverable	100%	101,080	101,080	-	-
Receivables from property buyers	100%	25,127	25,127		
Property development debtors	100%	3,123	3,123		
Excess interest charges	100%	6,390	6,390	-	-
Rent Recievables	100%	320,000	320,000	-	-
VAT input recoverable on investment property	100%	176,500	176,500	-	-
Flourish Securities Investments and Trust Limited	100%	7,129	7,129	-	
BGL Securities Limited	100%	38,753	38,753	-	-
Balance held in Polaris Bank Plc	100%	2,533	2,533	2,533	2,533
Balance held in Guaranty Trust Bank Plc	100%	61,067	61,067	61,067	61,067
Balance held in Unity Bank Plc	100%	1	1	1	1
Investment placement with Profound Securities	100%	16,757	16,757	16,757	16,757
Other receivables	100%	144	144	-	-
Total		**1,554,344**	**774,646**	**354,332**	**83,097**

2020			**GROUP**	**COMPANY**	
	Expected ratio	**Carrying amount at default ₦'000**	**Expected credit loss ₦'000**	**Carrying amount at default ₦'000**	**Expected credit loss ₦'000**
Current	1%	613,414	6,133	152,153	1,522
More than 30 days past due	4%	-	-	-	-
More than 60 days past due	7%	-	-	-	-
More than 90 days past due	12%	-	-	-	-
More than 180 days past due	50%	113,990	46,449	-	-
Individual impairment:					
Excess interest charges	100%	6,390	6,390	-	-
Rent Recievables	100%	212,267	212,267	-	-
VAT input recoverable on investment property	100%	176,500	176,500	-	-
Flourish Securities Investments and Trust Limited	100%	7,129	7,129	-	-
BGL Securities Limited	100%	38,753	38,753	-	-
Balance held in Polaris Bank Plc	100%	2,533	2,533	2,533	2,533
Balance held in Guaranty Trust Bank Plc	100%	61,067	61,067	61,067	61,067
Balance held in Unity Bank Plc	100%	1	1	1	1
Investment placement with Profound Securities	100%	16,757	16,757	16,757	16,757
Total		**1,248,801**	**573,978**	**232,511**	**81,880**

25.5 The movement in expected credit loss on other receivables

(a) Group

	Lifetime ECL not credit impaired ₦'000	Lifetime Ecl credit impaired ₦'000	31-Dec-21 Total Impairment provision ₦'000	31-Dec-20 Total Impairment provision ₦'000
As at 1 January	6,133	567,845	573,978	153,001
Expected credit loss charge	1,659	199,009	200,668	420,977
Balance at 31 December	7,793	766,854	774,646	573,978

(b) Company

	Lifetime ECL not credit impaired ₦'000	Lifetime Ecl credit impaired ₦'000	31-Dec-21 Total Impairment provision ₦'000	31-Dec-20 Total Impairment provision ₦'000
As at 1 January	1,522	80,358	81,880	80,521
Expected credit loss charge	1,218	-	1,218	1,359
Balance at 31 December	2,740	80,358	83,098	81,880

26 Deferred acquisition costs

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Deferred acquisition cost - Fire		94,870	78,570	94,870	78,570
Deferred acquisition cost - Gen Accident		204,112	135,865	204,112	135,865
Deferred acquisition cost - Motor		143,128	106,360	143,128	106,360
Deferred acquisition cost - Marine		145,859	96,153	145,859	96,153
Deferred acquisition cost - Oil & Gas & aviation		67,101	15,474	67,101	15,474
Life Business		294,950	155,556	-	-
		950,020	**587,978**	**655,070**	**432,422**

26.1 The movement in deferred acquisition costs is as follows:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Balance, beginning of the year		587,978	526,618	432,422	355,388
Additions during the year		3,379,449	2,710,058	1,982,104	1,495,589
Amortisation in the year	7	(3,017,407)	(2,648,698)	(1,759,456)	(1,418,555)
Balance, end of year		**950,020**	**587,978**	**655,070**	**432,422**
Current		950,020	587,978	655,070	432,422
Non-current		-	-	-	-
		950,020	**587,978**	**655,070**	**432,422**

27 Finance lease receivables

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Gross amount		303,425	301,178	224,595	222,348
Unearned interest		(8,710)	(7,496)	(8,710)	(7,496)
Net investment in finance lease	27.1	294,715	293,682	215,885	214,852
Less:					
Expected credit loss	27.2	(292,375)	(293,025)	(213,545)	(214,195)
		2,340	**657**	**2,340**	**657**
Current		2,340	657	2,340	657
Non-current		-	-	-	-
		2,340	**657**	**2,340**	**657**

27.1 Movement in finance lease

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Balance at the beginning of the year		293,682	292,428	214,852	213,598
Interest on finance leases		39,149	4,683	39,149	4,683
Payments		(38,116)	(3,428)	(38,116)	(3,428)
		294,715	**293,682**	**215,885**	**214,852**

27.2 Movement in allowance for expected credit loss

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Adjusted balance 1 January		293,025	208,876	214,195	130,046
Addition during the year		(650)	84,149	(650)	84,149
		292,375	293,025	213,545	214,195

28 Inventories

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Building materials		44,299	169,799	-	-
		44,299	**169,799**	**-**	**-**
Current		44,299	169,799	-	-
Non-current		-	-	-	-
		44,299	**169,799**	**-**	**-**

During the year, the sum of N125.5 million was written down from the value of inventories to properly state the net realisable value.

29 Investment Properties

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
At the beginning of the year		6,721,000	6,931,000	56,000	56,000
Disposal		(640,769)	(140,000)	-	-
Fair value loss on investment properties	10	10,769	(70,000)	-	-
		6,091,000	**6,721,000**	**56,000**	**56,000**

The items of investment properties are as shown below:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Mutual Tulip Estate	i	180,000	500,000	-	-
Property at Alausa Ikeja	ii	350,000	350,000	-	-
Property at Ikota	iii	56,000	56,000	56,000	56,000
Property at Sango/Idiroko - Mogga	iv	80,000	80,000	-	-
Property at Sango/Idiroko - Caxtonjo	v	50,000	50,000	-	-
Property at Onireke, Ibadan	vi	325,000	410,000	-	-
Mutual Alpha Court, Costain, Lagos	vii	3,400,000	3,625,000	-	-
Property at Asokoro, Abuja	viii	650,000	650,000	-	-
Property at Akure Plots (5,302 Square Meters)	ix	200,000	200,000	-	-
Property at Ado Ekiti	x	700,000	700,000	-	-
Property at Oyingbo, Lagos	xi	100,000	100,000	-	-
		6,091,000	6,721,000	56,000	56,000

Movement in Investment properties is shown below:

	Bal as at 1/1/2021	Additions	Disposal	Fair value gain/(loss)	Bal as at 12/31/2021
Mutual Tulip Estate	500,000	-	(319,357)	(643)	180,000
Property at Alausa Ikeja	350,000	-	-	-	350,000
Property at Ikota	56,000	-	-	-	56,000
Property at Sango/Idiroko - Mogga	80,000	-	-	-	80,000
Property at Sango/Idiroko - Caxtonjo	50,000	-	-	-	50,000
Property at Onireke,Ibadan	410,000	-	(85,000)	-	325,000
Mutual Alpha Court, Costain, Lagos	3,625,000	-	(236,412)	11,412	3,400,000
Property at Asokoro, Abuja	650,000	-	-	-	650,000
Property at Akure Plots (5,302 Square Meters)	200,000	-	-	-	200,000
Property at Ado Ekiti	700,000	-	-	-	700,000
Property at Oyingbo, Lagos	100,000	-	-	-	100,000
Balance at the end of the year	**6,721,000**	**-**	**(640,769)**	**10,769**	**6,091,000**

Movement in Investment properties is shown below:

	Bal as at 1/1/2020	Additions	Disposal	Fair value gain/(loss)	Bal as at 12/31/2020
Mutual Tulip Estate	500,000	-	-	-	500,000
Property at Alausa Ikeja	350,000	-	-	-	350,000
Property at Ikota	56,000	-	-	-	56,000
Property at Sango/Idiroko - Mogga	80,000	-	-	-	80,000
Property at Sango/Idiroko - Caxtonjo	50,000	-	-	-	50,000
Property at Onireke, Ibadan	550,000	-	(140,000)	-	410,000
Mutual Alpha Court, Costain, Lagos	3,625,000	-	-	-	3,625,000
Property at Asokoro, Abuja	650,000	-	-	-	650,000
Property at Akure Plots (5,302 Square Meters)	200,000	-	-	-	200,000
Property at Ado Ekiti	700,000	-	-	-	700,000
Property at Oyingbo, Lagos	170,000	-	-	(70,000)	100,000
Balance at the end of the year	**6,931,000**	**-**	**(140,000)**	**(70,000)**	**6,721,000**

Investment properties are stated at fair value, which has been determined based on valuations performed by Messr Alabi, Ojo & Makinde Consulting, signed by ESV Otunba Saheed Makinde (FRC/2015/NIESV/00000010800) and Messr Arigbede & Co Estate Surveyors and Valuers, signed by D. O. Arigbede (FRC/2014/00000004634), accredited independent valuers as at 31 December 2021. The valuers are specialists in valuing these types of investment properties. The determination of fair value of the investment property was supported by market evidence. The modalities and process of valuation utilized extensive analysis of market data and other sectors specific pecularities corroborated with available data derived from previous experiences.

Valuations are performed on an annual basis and the fair value gains and losses were recorded within the profit or loss.

The Group enters into operating lease arrangements for all of its investment properties. The rental income arising during the year amounted to ₦189,284,000 (2020: ₦223,611,000) which is included in profit on investment contract. Direct operating expenses arising in respect of such properties during the year are included in Profit on investment contracts.

There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal. The Company has no contractual obligations to purchase, construct or develop investment property or for repairs or enhancement.

		GROUP		COMPANY	
	Notes	**31 Dec-2021 ₦'000**	**31 Dec-2020 ₦'000**	**31 Dec-2021 ₦'000**	**31 Dec-2020 ₦'000**
Rental income derived from investment properties		189,284	223,611	11,610	13,570
Fair value loss on investment properties	10	10,769	(70,000)	-	-
Direct operating expenses, including repairs and maintenance, included in investment related expenses in profit on investment contracts	8.1	(161,526)	(56,726)	-	-
Profit arising from investment properties carried at fair value		**38,527**	**96,885**	**11,610**	**13,570**

Description of valuation techniques used and key inputs to valuation on investment properties:

The valuation of the properties is based on the price for which comparable land and properties are being exchanged hands or are being marketed for sale. Therefore, the market-approach Method of Valuation was adopted.

By nature, detailed information on concluded transactions is difficult to come by. They have therefore relied on past transactions and recent adverts in deriving the value of the subject properties.

i ***Mutual Tulip Estate***

Landed property of 11.40 hectares (28.5 acres) with industrial development potential lying, situate and being at Isheri Oke Village, off Lagos/Ibadan Expressway, Ifo Local Government Area, Ogun State in Nigeria was purchased at a cost of ₦747million. Forty percent or 4.56 hectares (11.4 acres) and 4.37 hectares (10.92 acres) of this land were sold as part of the disposal of investment properties in 2018 and 2021 respectively.The remaining 2.47hectares (6.18 acres) was revalued to ₦180 million by Messrs Alabi, Ojo & Makinde Consulting Estate Surveyors and Valuers as at 31 December 2021. The subsisting title to the subject property is a Deed of Assignment.

ii ***Property at Alausa Ikeja***

Landed property of 1,515.601 square metres of land located at Alausa central business district Lagos state in Nigeria was purchased at a cost of ₦177million. The landed property was revalued to ₦350 million by Messrs Alabi, Ojo & Makinde Consulting Estate Surveyors and Valuers as at 31 December 2021. The subsisting title to the subject property is a Deed of Assignment in favour of the Company.

iii ***Property at Ikota***

The property is situated at Olori Bolaji Akinloye Street, Ikota Villa Estate, Off Lekki-Epe express way, Lagos State. The property has a registered title and there is an executed Deed of Assignment in favour of the Company. The property is a 5-bedroom detached house. It measures a gross floor area of approximately 148.84 square meters. It is a building on two floors. The ground floor is provided with a sitting room, kitchen, store, a guest bedroom en-suite with toilet and bathroom. It was valued at ₦56million by Messr Alabi, Ojo & Makinde Consulting Estate Surveyors and Valuers as at 31 December 2021. Perfection of title is on-going.

iv ***Property at Sango/Idiroko - Mogga***

Landed property of 4040 square metres of land located at Sango/Idiroko road, opposite Mogga Petroleum, Onibukun village, Ota Atan, Ogun state in Nigeria was purchased at a cost of ₦90million. The landed property was valued to ₦80 million by Messrs Alabi, Ojo & Makinde Consulting Estate Surveyors and Valuers as at 31 December 2021. The subsisting title to the subject property is a Deed of Assignment in favour of Mutual Benefits Life Assurance Limited.

v ***Property at Sango/Idiroko - Caxtonjo***

Landed property of 3665.6 square metres of land located at Sango/Idiroko road, opposite Caxtonjo Oil Onibukun village, Ota Atan, Ogun state in Nigeria was purchased at a cost of ₦60million. The landed property was valued to ₦50 million by Messrs Alabi, Ojo & Makinde Consulting Estate Surveyors and Valuers as at 31 December 2021. The subsisting title to the subject property is a Deed of Assignment in favour of Mutual Benefits Life Assurance Limited.

vi ***Property at Onireke,Ibadan***

The property occupying 6808.179 square meters of land located at Kudeti Avenue, Commercial Reservation Onireke, Ibadan, Oyo State in Nigeria was transferred from Mutual Benefits Assurance Plc to Mutual Benefits Life Assurance Limited in 2014. The property was transferred at a cost of ₦543,791,845. Portions of the property representing 3361.353 square meters and 946.826 square metres of the land were sold in 2020 and 2021 respectively. The remaining portion of (2500 square meters) consisting of Land and building was revalued to ₦325 million by Messrs Alabi, Ojo and Makinde Consulting as at 31 December 2021. The subsisting title to the subject is a certificate of occupancy in favour of the Company.

vii ***Mutual Alpha Court, Costain, Lagos***

This represents 43 unsold units of the 60 units Terrace Triplex housing scheme located at Costain Iporin, Lagos. The property was constructed by Mutual Benefits Homes and Properties Limited and was transferred to the Mutual Benefits Life Assurance Limited in 2014 as part settlement of loan. As at 31 December 2021, 43 units were revalued at ₦3,400,000,000 by Messr Alabi, Ojo & Makinde Consulting Estate Surveyors and Valuers. The subsisting title is vested in Deed of Assignment between Mutual Benefits Homes and Properties Limited and Mutual Benefits Life Assurance Limited.

viii ***Property At Abuja (Asokoro District, Abuja)***

This is a six bedroom detached house (207.12 square meters) on a rectangular shaped site covering and approximately land area of 800 square meters, situated at 78 Yakubu Gowon Crescent, Asokoro, Abuja, The property was purchased at a cost of ₦666.25million. The property was valued at ₦650million by Messr Alabi, Ojo & Makinde Consulting Estate Surveyors and Valuers as at 31 December 2021. The subsisting title to the subject land is a deed of assignment in favour of the Company.

ix ***Property at Akure ,Ondo State***

Landed property of 5,302 square meters of land located at Akure, Ondo State, Nigeria was transferred to the Company from Mutual Homes and Properties Limited at a fair value of ₦350million. The valuation was done by Messrs Arigbede & Co. Estate Surveyors and Valuers. The subsisting title to the subject property is a Deed of Assignment between Mutual Benefits Home and Properties Limited and Mutual Benefits Life Assurance Limited. The property was valued at ₦200million by Messrs Arigbede & Co. Estate Surveyors and Valuers as at 31 December 2021.

x ***Property at Ado Ekiti***

Landed property consisting of 27,658 Hectares of land located at Ado-Ekiti, Ekiti State Nigeria was transferred to the Company from Mutual Homes and Properties Limited at a fair value of ₦700million. The property was valued at ₦700million by Messrs Arigbede & Co. Estate Surveyors and Valuers as at 31 December 2021. The subsisting title to the subject property is a deed of assignment in favour of the Company.

xi ***Property at Oyingbo, Lagos***

Property of 461 square meters of land and building located at Apapa Road, Ebute-Metta, Lagos State, Nigeria was transferred at a value of ₦180million. Deed of Assignment in favour of the Company is awaiting registration. Approximately 62.2 square meters of the land will be affected by the Lagos Rail Mass Transit Red line Project. The unaffected portion of the property (land and building) was valued at ₦100million by Messr Alabi, Ojo and Makinde Consulting, Estate Surveyors and Valuers as at 31 December 2021. The subsisting title to the subject is vested in a Land Certificate registered at the Land Registry Office in Lagos State.

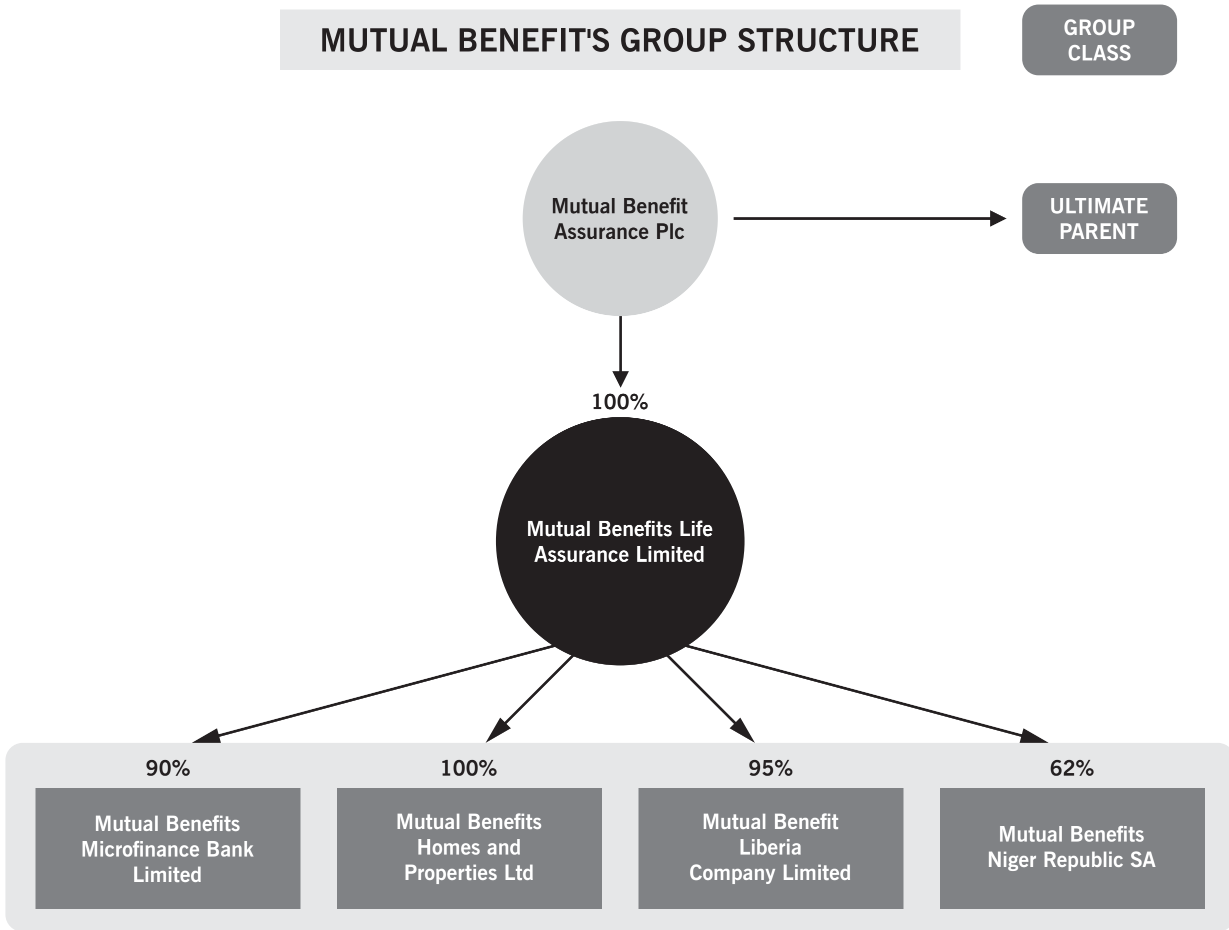
30 Investments in subsidiaries

The Company's investment in its subsidiaries is

	COMPANY	
	31 Dec-2021 ₦'000	**31 Dec-2020 ₦'000**
Mutual Benefits Life Assurance Limited	6,000,000	6,000,000
Mutual Benefits Microfinance Bank Limited	120,000	120,000
	6,120,000	**6,120,000**
Movement in investment in subsidiaries:		
At 1 January	6,120,000	6,000,000
Additional equity investment	-	120,000
At 31 December	**6,120,000**	**6,120,000**

The additional investment in year 2020 is in respect of the alloted ₦120 million units of ordinary shares at ₦1 each with par value of ₦1 in Mutual Benefits Microfinance Bank Limited. The ₦120 million deposit for these shares was made in year 2019.

MUTUAL BENEFIT'S GROUP STRUCTURE



	Company name	Nature of business	Country of Origin	Relationship	% of equity controlled	NCI	Status	Year of control
1	Mutual Benefits Life Assurance Ltd	Insurance	Nigeria	Direct - Subsidiary	100%	0%	Set up	Dec 2007
2	Mutual Benefits Microfinance Bank Ltd	Banking	Nigeria	Indirect - Subsidiary	90%	10%	Acquired	Jan 2009
3	Mutual Benefits Homes and Properties Ltd	Property development	Nigeria	Indirect - Subsidiary	100%	0%	Set up	Jan 2008
4	Mutual Benefits Liberia	Insurance	Liberia	Indirect - Subsidiary	95%	5%	Set up	Jan 2008
5	Mutual Benefits Niger Republic	Insurance	Niger Republic	Indirect - Subsidiary	62%	38%	Set up	Jan 2014

30 Investments in Subsidiaries

Mutual Benefits Life Assurance Limited

Mutual Life Assurance Limited is a wholly owned subsidiary of Mutual Benefits Assurance Plc.The principal activity of the Company is the underwriting of life insurance policies.

Mutual Benefits Microfinance Bank

Mutual Benefits Microfinance Bank was incorporated in Nigeria in January 2008 and its principal activity involves the provision of retail banking services to both individual and corporate customers. Mutual Benefits Life Assurance Limited obtained control of the company with acquisition of 80% of the voting rights of the Company in January 2009. During the year 2020, Mutual Benefits Assurance Plc and its subsidiary, Mutual Benefits Life Assurance Ltd, increased total shareholding to 89.8% through the acquisition of additional 240 million units of ordinary shares in the Bank.

Mutual Benefits Homes and Properties Ltd

Mutual Benefits Homes and Properties Limited was incorporated in December 2007 to provide property development services to corporate and individual customers. The Company was established as a wholly owned subsidiary of Mutual Benefits Life Assurance Limited.

Mutual Benefits Assurance Company Liberia

Mutual Benefit Assurance Company Liberia was incorporated on 29 August 2007 and commenced operations on 2 January 2008. It is into underwriting of all classes of non-Life and life businesses. It is 95% owned by Mutual Benefits Life Assurance Limited.

Mutual Benefits Assurance Niger Republic

Mutual Benefits Assurance Niger S.A commenced operations on 2 January 2014. It is into underwriting of non-life and health/medical insurance businesses. It was 96% owned by Mutual Benefits Life Assurance Limited until 31 December 2019 when the Company issued additional 59,484 unit of shares at a price of 31942CFA totalling 1,900,000,000CFA (NGN965,010,000). The shares were taken up by other shareholders (Non controlling interest), thereby diluting the shareholding of Mutual Benefits Life Assurance Limited in the Company to 62.47%.

31 Intangible assets: Software

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Cost:					
Balance at the beginning of the year		423,495	376,614	206,416	206,416
Additions		403,378	11,090	71,156	-
Foreign exchange difference		9,673	35,791	-	-
		836,546	423,495	277,572	206,416
Amortization:					
Balance at the beginning of the year		376,642	326,526	193,710	182,459
Amortisation charge	14	116,345	13,436	5,682	11,251
Foreign exchange difference		9,579	36,680	-	-
		502,566	376,642	199,392	193,710
Carrying amount at the end of the year		**333,980**	**46,853**	**78,180**	**12,706**

32 Property, plant and equipments (Group)

	Land ₦'000	Building ₦'000	Leasehold Improvement ₦'000	Plant and machinery ₦'000	Motor vehicles ₦'000	Furniture, fittings and equipment ₦'000	Total ₦'000
Cost/revaluation:							
1 January 2020	**292,602**	**2,664,926**	**1,759,321**	**330,658**	**1,449,359**	**1,672,481**	**8,169,345**
Additions	-	-	31,190	13,514	31,472	114,371	190,547
Disposal	-	-	-	(12,899)	(37,937)	(15,811)	(66,647)
Foreign exchange difference	121,946	-	8,443	(126,704)	14,630	78,585	96,900
31 December 2020	**414,548**	**2,664,926**	**1,798,954**	**204,569**	**1,457,524**	**1,849,626**	**8,390,145**
Additions	-	8,173	-	1,808	12,827	217,302	240,110
Disposal	-	-	-	(8,271)	(32,215)	(21,163)	(61,649)
Foreign exchange difference	-	140,306	-	2,262	25,487	24,194	192,250
31 December 2021	**414,548**	**2,813,404**	**1,798,955**	**200,368**	**1,463,624**	**2,069,960**	**8,760,855**
Accumulated depreciation:							
1 January 2020	**2,179**	**318,637**	**1,492,827**	**273,520**	**1,155,791**	**1,500,065**	**4,743,019**
Charge for the year	-	47,890	85,736	10,704	159,958	54,679	358,967
Disposal	-	-	-	(10,329)	(37,937)	(15,049)	(63,315)
Foreign exchange difference	(2,179)	-	16,599	(114,200)	25,377	2,456	(71,947)
31 December 2020	**-**	**366,527**	**1,595,162**	**159,695**	**1,303,189**	**1,542,151**	**4,966,724**
Charge for the year	-	61,395	20,490	8,770	109,896	123,316	323,867
Disposal	-	-	-	(8,102)	(32,215)	(21,057)	(61,374)
Foreign exchange difference	-	9,281	-	2,262	21,835	14,847	48,225
31 December 2021	**-**	**437,203**	**1,615,652**	**162,626**	**1,402,704**	**1,659,257**	**5,277,441**
Carrying amounts at:							
31 December 2021	**414,548**	**2,376,201**	**183,303**	**37,742**	**60,919**	**410,702**	**3,483,414**
31 December 2020	**414,548**	**2,298,399**	**203,792**	**44,874**	**154,335**	**307,475**	**3,423,421**

No leased assets are included in the above property, plant and equipment and the Group had no capital commitments as at 31 December 2021. None of the assets have been pledged as collateral.

32 Property, plant and equipments (Company)

	Building ₦'000	Leasehold Improvement ₦'000	Plant and machinery ₦'000	Motor vehicles ₦'000	Furniture, fittings and equipment ₦'000	Total ₦'000
1 January 2020	**2,394,587**	**714,275**	**81,262**	**989,121**	**1,035,514**	**5,214,759**
Additions	-	15,212	13,322	6,270	40,021	74,825
Disposal	-	-	-	(29,243)	-	(29,243)
1 January 2021	**2,394,587**	**729,487**	**94,584**	**966,148**	**1,075,535**	**5,260,341**
Additions	-	-	-	9,890	92,383	102,273
Disposal	-	-	-	(23,165)	(9,986)	(33,151)
31 December 2021	**2,394,587**	**729,487**	**94,584**	**952,873**	**1,157,932**	**5,329,463**
Accumulated depreciation:						
1 January 2020	**357,870**	**650,632**	**67,674**	**759,179**	**981,243**	**2,816,598**
Charge for the year						
Disposal	47,890	48,540	5,880	117,750	33,110	253,170
	-	-	-	(29,243)	-	(29,243)
1 January 2021	**405,760**	**699,172**	**73,554**	**847,686**	**1,014,353**	**3,040,525**
Charge for the year	47,890	20,490	8,140	74,953	33,387	184,860
Disposal	-	-	-	(23,165)	(9,986)	(33,151)
31 December 2021	**453,650**	**719,662**	**81,694**	**899,474**	**1,037,754**	**3,192,234**
Carrying amounts at:						
31 December 2021	**1,940,937**	**9,825**	**12,890**	**53,399**	**120,178**	**2,137,229**
31 December 2020	**1,988,827**	**30,315**	**21,030**	**118,462**	**61,182**	**2,219,816**

No leased assets are included in the above property, plant and equipment and the company had no capital commitments as at 31 December 2021. None of the assets have been pledged as collateral.

32 Property, plant and equipments (Company)

i The Company's land and building at Aret Adams House were professionally valued on 19 January 2018 by Alabi, Ojo & Makinde Estate Surveyors and Valuers (FRC/2015/NIESV/00000010800). The valuation which was based on open market value between a willing buyer and a willing seller produced a surplus amount of ₦72,617,000 which has been credited to the property, plant and equipment revaluation account. As a result of the valuation, the revised value of the properties as at 31 December 2017 was ₦1,450,000,000.

The cost to date at the date of the initial revaluation in 2012 was ₦130,161,000. The property was valued in an open market by reference to the cost approach to value and the Income Approach to value was adopted to cross check the market value.

ii If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	GROUP		COMPANY	
	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Cost	498,011	498,011	130,161	130,161
Accumulated depreciation	(23,428)	(20,825)	(23,428)	(20,825)
	474,583	**477,186**	**106,733**	**109,336**

33 Statutory deposit

This represents amounts deposited with the Central Bank of Nigeria (CBN) pursuant to Section 10(3) of the Insurance Act, 2003. This amount is not available for the day-to-day use in the working capital of the Company and so it is excluded from the cash and cash equivalents. Interest earned at annual average rate of 3% per annum (2020: 13%) on statutory deposits are included in investment income (Note 9).

The deposit has been tested for adequacy as at 31 December 2021 and found to be adequate.

	Note	GROUP		COMPANY	
		31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Statutory deposit		500,000	500,000	300,000	300,000
		500,000	500,000	300,000	300,000
Current		-	-	-	-
Non-current		500,000	500,000	300,000	300,000
		500,000	500,000	300,000	300,000

34 Deferred tax assets

Movement in Deferred tax assets:

	Note	GROUP		COMPANY	
		31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance at the beginning of the year		612,077	300,815	91,556	65,718
Charge in profit or loss for the year	18.2	(33,596)	311,261	2,733	25,837
Balance at the end of the year		**578,480**	**612,077**	**94,289**	**91,556**

Deferred tax assets is attributable to the following:

	Note	GROUP		COMPANY	
		31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Property, plant and equipment		145	28,626	-	-
Expected credit losses		578,335	583,451	94,289	91,556
Balance, end of year		**578,480**	**612,077**	**94,289**	**91,556**

34.1 Unrecognised deferred tax assets

Deferred tax assets relating to the Group's life business have not been recognised in respect of the following items because of the uncertainty in the availability of future taxable profit against which the Group's life business can use the benefits therefrom.

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Property, plant and equipment		418,404	351,600	-	-
Tax losses		6,911,431	5,761,719	-	-
Balance, end of year		**7,329,835**	**6,113,319**	**-**	**-**

35 Insurance contract liabilities

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Outstanding claims	35.1	14,735,758	12,014,154	5,149,788	4,024,793
Unearned premiums	35.2	8,728,385	5,558,129	4,807,867	3,403,809
		23,464,143	**17,572,283**	**9,957,655**	**7,428,602**
Current		19,218,527	14,806,199	9,957,655	7,428,602
Non-current		4,245,616	2,766,084	-	-
		23,464,143	**17,572,283**	**9,957,655**	**7,428,602**

The Group engaged Zamara Consulting Actuaries Nigeria Limited to perform an Insurance liability valuation as at 31 December 2021 for its Insurance and Investment contract businesses. The Insurance liability valuation report was signed by Jay Kosgei (FRC/2021/004/00000023786).

35.1 Outstanding claims

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Non-Life business	35.1.1	6,279,300	4,912,333	5,149,788	4,024,793
Life business	35.1.2	8,456,458	7,101,821	-	-
		14,735,758	**12,014,154**	**5,149,788**	**4,024,793**
35.1.1 Non-Life outstanding claims					
Claims reported by policy holders		4,604,301	3,780,313	3,474,789	2,892,773
Claims incurred but not reported (IBNR)		1,674,999	1,132,020	1,674,999	1,132,020
		6,279,300	**4,912,333**	**5,149,788**	**4,024,793**
i Movement in Non-life outstanding claims					
At 1 January		4,912,333	2,811,830	4,024,793	2,433,441
Claims incurred in the current year		7,797,141	6,067,777	6,656,205	4,738,130
Claims paid during the year		(6,430,174)	(3,967,274)	(5,531,210)	(3,146,778)
		6,279,300	**4,912,333**	**5,149,788**	**4,024,793**
ii Analyis of Non-life outstanding claims per class of insurance					
Motor		1,832,922	1,356,199	703,409	468,659
Marine		561,054	322,222	561,054	322,222
Fire		1,149,233	725,555	1,149,233	725,555
General accident		1,687,882	1,529,322	1,687,882	1,529,322
Oil & Gas and Aviation		1,048,209	979,035	1,048,209	979,035
		6,279,300	**4,912,333**	**5,149,788**	**4,024,793**

iii The aging analysis of Non-life reported outstanding claims

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
0 - 90 days		2,125,194	1,969,853	995,682	1,082,313
91 - 180 days		439,349	131,046	439,349	131,046
181 - 270 days		120,799	59,873	120,799	59,873
271 - 360 days		80,358	157,105	80,358	157,105
361 and above		1,838,600	1,462,436	1,838,600	1,462,436
		4,604,301	3,780,313	3,474,789	2,892,773

Outstanding claims above 90 days are those that are awaiting relevant documentation to facilitate settlement. Sufficient funds have been set aside to meet these obligations.

iv Reason analysis of the Group's Non-life reported outstanding claims as at year end

	0-90 days ₦'000	91-180 days ₦'000	181-360days ₦'000	361 days + ₦'000	Total ₦'000
Issued discharge voucher	68,980	-	-	-	68,980
Awaiting lead insurers instruction	790	4,006	5,558	159,354	169,708
Awaiting final report from adjuster	315,430	10,373	6,878	79,044	411,726
Ongoing investigation	143,912	73,766	57,119	531,411	806,208
Incomplete documentation	1,596,081	351,205	131,602	1,068,791	3,147,679
	2,125,194	439,349	201,157	1,838,600	4,604,301

v Reason analysis of the Company's Non-life reported outstanding claims as at year end

	₦'000 0-90 days	₦'000 91-180 days	₦'000 181-360days	₦'000 361 days +	₦'000 Total
Issued discharge voucher	8,480	-	-	-	8,480
Awaiting lead insurers instruction	790	4,006	5,558	159,354	169,708
Awaiting final report from adjuster	315,430	10,373	6,878	79,044	411,726
Ongoing investigation	143,912	73,766	57,119	531,411	806,208
Incomplete documentation	527,069	351,205	131,602	1,068,791	2,078,667
	995,682	439,349	201,157	1,838,600	3,474,789

vi No. of claimants for the Group's Non-life reported outstanding claims as at year end

Number	0-90 days	91-180 days	181-360days	361 days +	Total
Issued discharge voucher	166	-	-	-	166
Awaiting lead insurers instruction	3	5	10	482	500
Awaiting final report from adjuster	37	9	6	203	255
Ongoing investigation	139	110	65	130	444
Incomplete documentation	3,083	432	308	3,845	7,668
	3,428	556	389	4,660	9,033

vii No. of claimants for the Company's Non-life reported outstanding claims as at year end

Number	0-90 days	91-180 days	181-360days	361 days +	Total
Issued discharge voucher	16	-	-	-	16
Awaiting lead insurers instruction	3	5	10	482	500
Awaiting final report from adjuster	37	9	6	203	255
Ongoing investigation	139	110	65	130	444
Incomplete documentation	428	432	308	3,845	5,013
	623	556	389	4,660	6,228

35.1.2 Life business:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Life outstanding claims					
Outstanding claims		6,518,990	5,746,802	-	-
Claims incurred but not reported (IBNR)		1,937,468	1,355,019	-	-
		8,456,458	7,101,821	-	-

Analysis of life outstanding claims per class of insurance					
Group life	I	6,148,311	5,690,757	-	-
Individual life	ii	1,933,254	1,082,368	-	-
Annuity	iii	374,893	328,696	-	-
		8,456,458	7,101,821	-	-
i Movement in group life outstanding claims					
At 1 January		5,690,757	5,071,640	-	-
Claims incurred in the current year		5,185,470	4,348,646	-	-
Claims paid during the year		(4,727,916)	(3,729,529)	-	-
		6,148,311	5,690,757	-	-
ii Movement in individual life outstanding claims					
At 1 January		1,082,368	889,976	-	-
Premiums written in the year		3,052,022	2,517,408	-	-
Premiums earned during the year		(3,128,293)	(2,517,958)	-	-
Claims incurred in the current year		806,886	213,659	-	-
Claims paid during the year		(730,614)	(213,659)	-	-
Changes in actuarial valuation		850,885	192,942	-	-
At 31 December		**1,933,254**	**1,082,368**	**-**	**-**
iii Movement in annuity					
At 1 January		328,696	324,700	-	-
Claims incurred in the current year		42,374	44,226		
Claims paid during the year		(42,374)	(44,226)	-	-
Changes in actuarial valuation		46,196	3,996	-	-
		374,893	**328,696**	**-**	**-**

35.1.2 Life business:

		GROUP		COMPANY	
	Notes	**31 Dec-2021 ₦'000**	**31 Dec-2020 ₦'000**	**31 Dec-2021 ₦'000**	**31 Dec-2020 ₦'000**
The aging analysis of life outstanding claims					
0 - 90 days		4,210,843	4,335,738	-	-
91 - 180 days		-	-	-	-
181 - 270 days		-	-	-	-
271 - 360 days		-	-	-	-
361 and above		-	-	-	-
No ageing - Annuity		374,893	328,696	-	-
No ageing - IBNR		3,870,722	2,437,387	-	-
ageing		**8,456,458**	**7,101,821**	**-**	**-**

The ageing of the outstanding claims is measured from the date of the issuance of discharge vouchers to the reporting dates.

35.2 Unearned premiums

		GROUP		COMPANY	
	Notes	**31 Dec-2021 ₦'000**	**31 Dec-2020 ₦'000**	**31 Dec-2021 ₦'000**	**31 Dec-2020 ₦'000**
Non-Life business	ii	5,163,460	3,540,532	4,807,867	3,403,809
Life business	iv	3,564,925	2,017,596	-	-
		8,728,385	**5,558,129**	**4,807,867**	**3,403,809**
i The movement in unearned premium					
		5,558,129	5,002,659	3,403,809	2,595,067
Premiums written in the year	4.1	29,299,247	19,983,843	13,794,276	9,207,506
Premiums earned during the year	4.1	(26,128,991)	(19,428,373)	(12,390,218)	(8,398,764)
At 31 December		**8,728,385**	**5,558,129**	**4,807,867**	**3,403,809**

ii The movement in non-life unearned premium

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
At 1 January		3,540,532	2,856,541	3,403,809	2,595,067
Premiums written in the year		17,284,726	11,347,783	13,794,276	9,207,506
Premiums earned during the year		(15,661,798)	(10,663,792)	(12,390,218)	(8,398,764)
		5,163,460	3,540,532	4,807,867	3,403,809
iii Analysis of Non-life unearned premium					
Motor		1,999,253	1,167,735	1,643,660	1,167,735
Marine		951,168	659,501	951,168	659,501
Fire		541,601	473,992	541,601	473,992
Oil & Gas and Aviation		500,659	306,176	500,659	306,176
General accident		1,170,779	933,128	1,170,779	796,405
		5,163,460	3,540,532	4,807,867	3,403,809
iv Analysis of life unearned premium					
Group Life		3,564,925	2,017,596	-	-
		3,564,925	2,017,596	-	-
The movement in life unearned premium					
At 1 January		2,017,596	2,146,118	-	-
Premiums written in the year		12,014,521	8,636,060	-	-
Premiums earned during the year		(10,467,192)	(8,764,582)	-	-
		3,564,925	2,017,596	-	-

36 Investment contract liabilities

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Group deposit administration		843,195	583,211	-	-
Individual deposit administration		29,335,421	27,864,056	-	-
		30,178,616	28,447,267	-	-
Current		13,034,563	11,094,434	-	-
Non-current		17,144,053	17,352,833	-	-
		30,178,616	**28,447,267**	**-**	**-**
The movement in deposit administration funds					
Balance at the beginning of the year		28,447,267	26,266,129	-	-
Deposits received during the year		14,266,728	12,323,764	-	-
Guaranteed interest		1,428,000	2,146,434	-	-
Withdrawals during the year		(13,963,379)	(12,289,060)	-	-
Balance at the end of the year		**30,178,616**	**28,447,267**	**-**	**-**

37 Trade payables

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Reinsurance payables		791,795	674,669	180,874	107,619
Co-Insurance payables		24,651	25,020	-	-
Deferred commission		212,447	194,598	200,327	183,948
Commission payable		121,890	290,667	16,991	230,842
Deposits for premium	37.1	994,948	942,052	303,785	234,194
		2,145,731	2,127,006	701,977	756,603
Current		2,145,731	2,127,006	701,977	756,603
Non-current		-	-	-	-
		2,145,731	**2,127,006**	**701,977**	**756,603**

37.1 The movement in deposit for premium during the year is as follows:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Balance at the beginning of the year		942,052	1,411,016	234,194	590,644
Addition during the year		828,777	752,104	155,035	109,100
Reclassified to premium income		(85,444)	(465,550)	(85,444)	(465,550)
Reclassified as investment contract liabilities		(690,437)	(755,518)	-	-
Balance at the end of the year		**994,948**	**942,052**	**303,785**	**234,194**

Deposit for premium represents premium received on general business, life insurance contracts and investment contracts for which the policy holders are yet to be identified at the reporting date. However, the Company employs all resources at its disposal to ensure prompt identification of the policy holders and subsequent reclassification to appropriate financial statement area as neccessary.

38 Other liabilities

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Accruals	38.1	868,332	1,656,333	204,586	1,303,107
Rent received in advance		59,455	30,658	1,428	1,167
Dividend payable		24,798	24,798	24,798	24,798
Due to related companies	54	-	-	613,600	178,944
PAYE		3,066	1,202,	-	546
VAT payable		125,311	316,714	-	-
WHT payable		36,090	17,105	24,152	10,222
Staff pension		13,835	10,104	-	7,717
ATM working capital		16,718	23,910	-	-
Amount due to Directors		10,902	949	-	-
National Housing Fund		17	2,103	-	2,090
Cooperative deductions		759	759	-	-
Provision for NAICOM levy		398,059	411,403	139,222	83,641
Real estate development creditors		-	230,138	-	-
Deposit for facility management		2,438	42,279	-	-
Other Creditors	38.2	914,475	640,271	773,100	341,865
Land deduction		138	138	-	-
Deposit for properties by customers		126,082	317	-	-
		2,600,475	**3,409,284**	**1,780,886**	**1,954,097**
Current		2,600,475	3,409,284	1,780,886	1,954,097
Non-current		-	-	-	-
		2,600,475	3,409,284	1,780,886	1,954,097

38.1 These relate to actuarial fee, registrar fee, audit fee, NAICOM levy, consultancy and legal fee, etc.

38.2 These are other sundry creditors that includes cheques for reissue (N313m); rent collected on behalf of third parties (N15m); income for allocation (N52m); and the balance for suppliers of general goods and services.

39 Deposit liabilities

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Current		165,908	113,729	-	-
Time		1,079,673	119,922	-	-
Savings		81,884	67,967	-	-
		1,327,465	**301,618**	**-**	**-**
Current		1,327,465	301,618	-	-
Non-current		-	-	-	-
		1,327,465	**301,618**	**-**	**-**

40 Borrowings

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
GTBank margin facility	40.2	400,870	400,870	400,870	400,870
Loan from Concept Capital Management Ltd	40.3	1,937,461	3,489,260	1,937,461	3,489,260
		2,338,331	3,890,130	2,338,331	3,890,130
Current		1,937,461	2,584,534	1,937,461	2,584,534
Non-current		400,870	1,305,596	400,870	1,305,596
		2,338,331	**3,890,130**	**2,338,331**	**3,890,130**

40.1 The movement in borrowings during the year is as follows:

Balance, beginning of the year		3,890,130	6,752,845	3,890,130	6,752,845
Initial fair value of the loan		-	3,476,172	-	3,476,172
Impact of foreign exchange rate changes	15	387,589	-	387,589	-
Extinguishment of Loan from Daewoo Securities Ltd.	40.4	-	(6,351,975)	-	(6,351,975)
Accrued interest	16	110,612	13,088	110,612	13,088
Payments during the year		(2,050,000)	-	(2,050,000)	-
Balance at the end of the year		**2,338,331**	**3,890,130**	**2,338,331**	**3,890,130**

40.2 GTBank margin facility

The Company obtained a margin loan facility of ₦600 million from Guaranty Trust Bank Plc to finance working capital requirements for Margin trading at 16% per annum on the 19 June 2007 out of which ₦450 million was utilised. The facility was secured by lien on shares financed and an upfront 50% margin contribution (representing a 150% cover). The Bank was to dispose off the warehoused shares to liquidate the facility whenever the cover falls to 130%. Repayment of the facility was to be from proceeds of sale of shares financed.

There is however an on-going litigation on this facility arising from the rejection by the Company of the additional investment cover requested for by the Bank due to the fall in the value of the shares purchased against which the facility was initially secured. In the ensuing litigation, judgment was given in 2017 in favour of the Company at the Lagos High Court in the sum of ₦120,148,773.70 plus interest at 10% p.a at the Lagos High Court. The total figure stood at N260,146,783.16 as at 31 December 2021. The bank has appealed the judgment to the Court of Appeal.

The directors, having sought the advice of professional counsel, are of the opinion that no significant liability other than the amount already recognised will crystalise from this litigation.

40.3 Loan from Concept Capital Management Ltd.

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance at 1 January		3,489,260	-	3,489,260	-
Initial fair value of the loan		-	3,476,172	-	3,476,172
Accrued interest expense	16	110,612	13,088	110,612	13,088
Foreign exchange difference		387,589	-	387,589	-
Repayment during the year		(2,050,000)	-	(2,050,000)	-
		1,937,461	**3,489,260**	**1,937,461**	**3,489,260**

The Company issued a USD9.5 million unsecured debt instrument at 0% coupon to Concept Capital Management Limited (CCM) on 1 December 2020 to redeem the balance on the loan from Daewoo Securities Limited. The loan is repayable in three (3) instalments of USD5 million, USD2 million and USD2.5 million on 22 September 2021, 30 January 2022 and 30 April 2022 respectively as per the amended Settlement Agreement.

The three (3) installmental payments of USD5 million, USD2 million and USD2.5 million were made on 22 September 2021, 26 January 2022 and 27 April 2022 respectively.

The initial fair value of the loan was determined using a market interest rate for an equivalent unsecured loan at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on payment of the last instalment.

40.4 Extinguishment of Loan from Daewoo Securities Limited

The Company issued two (2) zero coupon, long term Japanese Yen (JPY) denominated Eurobonds with options in the aggregate sum of 2,500,000,000 JPY. Daewoo Securities (Europe) Limited acted as the lead manager, financial advisor and paying agent to the issues.

The first tranche in the sum of 1,750,000,000 Japanese Yen (JPY) with redemption date in year 2020 while the second tranche in the sum of 750,000,000 Japanese Yen (JPY) was due in year 2027. The Bonds were issued with the options to subscribe for the ordinary shares of the Company. However, the options are unenforceable as the arrangement was contrary to the extant capital market regulations.

In 2009, Daewoo Securities (Europe) Limited called for the early repayment of the bonds contrary to the fundamentals of the arrangement. The parties resorted to litigation to resolve their disputes. The sum of ₦421,455,030 (equivalent to JPY250,000,000) was redeemed on the Bonds between 2009 and 2010.

On 1 December 2020, the Company redeemed the remaining outstanding Bonds by the issuance of a new unsecured USD denominated debt instrument to the sole party with economic interests in the Bonds, Concept Capital Management Limited (CCM). The fair value of the new debt instrument at the issue date was USD9,149,699 (₦3,476,171,955). The carrying amount of the Bonds at the time of extinguishment was ₦6,351,975,000 and costs incurred were ₦1,300,000,000, resulting in a net gain on extinguishment of ₦1,575,803,045 which was included in other income in the year 2020 statement of profit or loss.

41 Current income tax liabilities

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance at 1 January		904,704	893,369	616,987	642,173
Current income tax charge					
Company income tax		184,968	259,309	-	68,710
Education tax		-	7,268	-	7,268
Information technology tax		-	50,334	-	18,954
Minimum tax		40,910	7,115	30,976	-
Prior year over provision		(199,856)	-	(246,026)	-
	18.1	**26,022**	**324,025**	**(215,051)**	**94,932**
Payments during the year		(445,607)	(312,690)	(173,480)	(120,118)
Balance at the end of the year		485,119	904,704	228,456	616,987

42 Deferred tax net liabilities

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Deferred tax assets	34	578,480	612,077	94,289	91,556
Deferred tax liabilities	42.1	(1,364,586)	(1,528,578)	(519,212)	(659,568)
		(786,106)	**(916,501)**	**(424,923)**	**(568,012)**

42.1 Movement in Deferred tax liabilities

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Balance, beginning of year		1,528,578	1,045,224	659,568	709,191
Charge in profit or loss for the year	18.2	(224,975)	(79,948)	(140,355)	(49,624)
Charge in other comprehensive income		60,983	563,300	-	-
Balance at the end of the year		**1,364,586**	**1,528,578**	**519,212**	**659,568**
Deferred tax liability is attributable to the following:					
Property, plant and equipment		503,650	656,415	519,212	659,568
Foreign currency translation reserve		678,289	617,306	-	-
Revaluation reserves		182,648	254,857	-	-
		1,364,586	**1,528,578**	**519,212**	**659,568**

43 Share capital

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
43.1 Authorized number of shares:					
At 1 January 2021: 20,000,000,000 (2020: 20,000,000,000) ord shares of 50k each		10,000,000	10,000,000	10,000,000	10,000,000
Addition in the year: 100,000,000 (2020: Nil) ord shares of 50k each		50,000	-	50,000	-
At 31 December 2021: 20,100,000,000 (2020: 20,000,000,000) Ordinary shares of 50k each		**10,050,000**	**10,000,000**	**10,050,000**	**10,000,000**

The Company increased it's authorised share capital from ₦10,000,000,000 to ₦10,050,000,000 by the creation of 100,000,000 ordinary shares of 50 kobo each and this was registered with the Commission on 16 February 2021.

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
43.2 Issued and fully paid number of shares:					
At 1 January 2021: 11,172,733,508 (2020: 11,172,733,508) ord shares of 50k each		5,586,367	5,586,367	5,586,367	5,586,367
Addition in the year: 8,888,888,889 (2020: Nil) ordinary shares of 50k each		4,444,444	-	4,444,444	-
At 31 December 2021: 20,061,622,397 (2020: 11,172,733,508) Ordinary shares of 50k each		**10,030,811**	**5,586,367**	**10,030,811**	**5,586,367**

On 28 June 2021, the Company concluded its Private Placement of 8,888,888,889 ordinary shares of 50k each in which ₦4.8 billion was raised from two shareholders. The shares were issued at 54 kobo per share.

43.3 Share premium

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
At 1 January		-	-	-	-
Addition during the year		276,486	-	276,486	-
Balance, end of year		**276,486**	**-**	**276,486**	**-**

The addition during the year represents the premium on the Private Placement less the share issue expenses.

44 Treasury shares

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Company's shares held (500,000 shares at ₦0.50 per share)		250	250	250	250

45 Deposit for shares

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Deposit for shares, beginning of the year		**4,800,000**	**-**	**4,800,000**	**-**
Additions during the year		-	4,800,000	-	4,800,000
Ord shares of 8,888,888,889 of 50kobo each at market price of 54kobo		(4,720,930)	-	(4,720,930)	-
Share issue expenses		(79,070)	-	(79,070)	-
Balance, end of year		**-**	**4,800,000**	**-**	**4,800,000**

The 2020 balance of ₦4.8 billion represents deposit for shares from the two investors in the Company's private placement, pending allotment of the shares. The shares were subsequently issued and listed on the Daily Official List of NGX in June 2021 as indicated above.

46 Foreign currency translation reserve

This comprises exchange differences resulting from the translation to Naira of the results and financial position of Group companies that have a functional currency other than Nigerian Naira. Mutual Benefits Assurance Company Liberia and Mutual Benefits Niger Republic SA have functional currencies other than Naira. See below and statement of changes in equity for movement in foreign currency translation reserve.

	GROUP	
	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance, beginning of the year	1,161,602	938,821
Other comprehensive income	389,483	222,781
Balance, end of year	**1,551,085**	**1,161,602**

47 Contingency reserve

In compliance with Section 21 (1) of Insurance Act 2003, the contingency reserve for non-life insurance business is credited with the greater of 3% of total premiums or 20% of the profits. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium. While for life business, the contingency reserves is credited with an amount equal to 1% of gross premium or 10% of net profit (whichever is greater) and accumulated until it reached the amount of minimum paid up capital.

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance, beginning of the year		4,172,059	3,462,493	3,118,041	2,745,470
Transfer from retained earnings		529,995	709,566	413,830	372,571
Balance, end of year		**4,702,054**	**4,172,059**	**3,531,871**	**3,118,041**
47.1 Analysis per business segment					
Non-life business	47.2	3,531,871	3,118,041	3,531,871	3,118,041
Life business	47.3	1,170,183	1,054,018	-	-
		4,702,054	4,172,059	3,531,871	3,118,041
47.2 Non-life business					
Balance, beginning of the year		3,118,041	2,745,470	3,118,041	2,745,470
Transfer from retained earnings		413,830	372,571	413,830	372,571
Balance, end of year		**3,531,871**	**3,118,041**	**3,531,871**	**3,118,041**
47.3 Life business					
Balance, beginning of the year		1,054,018	717,023	-	-
Transfer from retained earnings		116,165	336,995	-	-
Balance, end of year		**1,170,183**	**1,054,018**	**-**	**-**

48 Fair value reserve

The fair value reserve includes the net cumulative change in the fair value of fair value through other comprehensive income investments until the investment is derecognised or impaired. See below and statement of changes in equity for movement in fair value reserve.

		GROUP		COMPANY	
	Notes	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance, beginning of the year		(878,937)	(673,611)	(133,900)	(136,066)
Net revaluation gains/(losses) on equity instrument at FVOCI		319,208	(205,326)	19,013	2,166
Balance, end of year		**(559,729)**	**(878,937)**	**(114,887)**	**(133,900)**

49 Revaluation reserve

This reserve is the accumulation of revaluation gain on the group's land and buildings in line with the Company's accounting policies. See statement of changes in equity for movement in fair value reserve.

	Notes	GROUP		COMPANY	
		31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Revaluation surplus on property, plant and equipment - Land and building		1,520,131	1,520,131	1,339,395	1,339,395

50 Retained Earnings/(accumulated losses)

Retained earnings represents the amount available for dividend distribution to the equity shareholders of the Company, while accumulated losses represents the loss retained in the business over the periods. See below and statement of changes in equity for movement in retained earnings/(accumulated losses).

	Notes	GROUP		COMPANY	
		31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Balance, beginning of the year		6,993,787	2,598,898	300,169	(1,279,313)
(Loss)/profit for the year		(5,575,372)	5,131,816	(2,447,486)	1,862,856
Share issue expenses		-	(116,558)	-	-
Unclaimed dividends		-	89,197	-	89,197
Transfer to contingency reserve	47	(529,995)	(709,566)	(413,830)	(372,571)
Balance, end of year		**888,420**	**6,993,787**	**(2,561,147)**	**300,169**

51 Non-controlling interests in equity

	Notes	GROUP	
		31 Dec-2021	31 Dec-2020
Opening balance		1,333,778	1,100,847
Share from total comprehensive income		133,091	232,931
Balance as at year end		1,466,869	1,333,778

The table below summarises the information relating to the Group's subsidiaries that have material Non-Controlling Interests (NCI) before any intra-group eliminations.

	Notes	Mutual Benefits Microfinance Bank Ltd		Mutual Benefits Niger SA	
		31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
NCI percentage		10%	10%	38%	38%
Cash and cash equivalents		275,428	388,745	3,745,556	3,052,381
Loans and receivables		889,170	89,555	-	-
Other receivables		56,626	8,453	75,136	35,929
Intangible assets		26,520	12,827	118,871	21,320
Reinsurance assets		-	-	686,088	566,940
Trade receivables		-	-	288,590	133,491
Property, plant and equipments		5,722	10,113	760,391	707,787
Insurance contract liabilities		-	-	(1,481,569)	(1,008,208)
Trade payables		-	-	(531,226)	(405,958)
Other liabilities		(60,911)	(150,766)	(266,112)	(298,801)
Deposit liabilities		(1,327,465)	(301,618)	-	-
Current income tax liabilities		(14,990)	(14,722)	-	-
Deferred tax liabilities		100,328	(3,636)	-	-
Net (liabilities)/assets		**(49,572)**	**38,952**	**3,395,725**	**2,804,881**
Carrying amount of NCI		**(4,957)**	**3,895**	**1,274,415**	**1,052,672**

	Notes	Mutual Benefits Microfinance Bank Ltd 31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	Mutual Benefits Niger SA 31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
Underwriting profit		-	-	1,258,659	473,397
Income		203,226	45,413	83,054	98,011
Expenses		(395,206)	(196,211)	(776,694)	(453,704)
(Loss)/profit before tax		(191,980)	(150,799)	565,020	117,704
Profit/(loss) after tax		103,456	(151,244)	446,437	(29,323)
Profit/(loss) allocated to NCI		**20,691**	**(30,249)**	**167,548**	**(11,005)**
Cash flows (used in)/from operating activities		(175,425)	(161,616)	2,305,859	1,310,906
Cash flows (used in)/from investing activities		(68,892)	5,781	(67,362)	(85,503)
Cash flows from financing activities		78,000	122,000	-	-
Net (decrease)/increase in cash and cash equivalents		**(166,317)**	**(33,835)**	**2,238,497**	**1,225,402**

52 Reconciliation of profit before income tax to cash flows provided by operating activities:

	Notes	GROUP 31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	31 Dec-2020 ₦'000
(Loss)/profit before income tax		(5,590,066)	5,042,025	(2,805,625)	1,882,327
Adjustments for non-cash items:					
Fair value loss/(gain) on financial assets through profit and loss	10	5,606,985	(3,362,431)	1,463,467	(1,127,088)
Amortisation of deferred acquisition costs	26.1	3,017,407	2,648,698	1,759,456	1,418,555
Interest income		(2,781,907)	(3,077,528)	-	-
Investment income	9	(1,458,031)	(2,599,288)	(702,593)	(1,135,155)
Interest on borrowings		110,612	13,088	110,612	13,088
Interest income on finance leases	27.1	(39,149)	(4,683)	(39,149)	(4,683)
Bad debt written off	14	168,727	2,110	-	-
Impairment (write-back)/charge on financial assets	12	(222,350)	921,635	9,109	86,123
Amortisation of intangible assets	31	116,345	13,436	5,682	11,251
Depreciation of property and equipments	32	323,867	358,967	184,860	253,170
Gain on disposal of property and equipment	11	(3,155)	(8,145)	(2,240)	(2,950)
Foreign exchange gain on cash and cash equivalents	15	207,351	(212,241)	173,233	(149,869)
Gain on extinguishment of loan	11	-	(1,575,803)	-	(1,575,803)
Foreign exchange loss on foreign domiciliary borrowings	40.1	387,589	-	387,589	-
Fair value loss in investment property		(10,769)	70,000	-	-
Loss on diposal of investment property	8.1	142,236	30,000	-	-
Write-down of Inventory	14	125,500	266,357	-	-
Cash flow from/(used in) operating profit before changes in operating assets and liabilities		**101,192**	**(1,473,802)**	**544,402**	**(331,034)**
Trade receivables		(77,291)	215,196	124,256	134,444
Reinsurance assets		(344,630)	2,127	(501,097)	(62,124)
Other receivables and prepayment		(56,297)	582,521	(223,859)	72,696
Deferred acquisition cost		(3,379,449)	(2,710,058)	(1,982,104)	(1,495,589)
Insurance contract liabilities - Claims		2,721,604	2,916,008	1,124,995	1,591,352
Insurance contract liabilities - Unearned premium		3,170,256	555,470	1,404,058	808,742
Trade payables		18,725	(288,115)	(54,626)	(470,904)
Other liabilities		(808,809)	728,517	(173,211)	278,766
Investment contract liabilities		1,731,349	2,181,138	-	-
Deposit liabilities		1,025,847	(88,022)	-	-
Income tax paid	41	(445,607)	(312,689)	(173,479)	(120,118)
Net cash flows from operating activities		**3,656,890**	**2,308,291**	**89,335**	**406,231**

53 Supplementary statement of profit or loss information

i Employees, other than the executive directors, whose duties were wholly or mainly discharged in Nigeria, received emoluments (excluding pension contribution and other allowances) in the following ranges:

	Notes	GROUP 31 Dec-2021 Number	GROUP 31 Dec-2020 Number	COMPANY 31 Dec-2021 Number	COMPANY 31 Dec-2020 Number
₦220,001 – ₦720,000		43	41	-	-
₦720,001 – ₦1,400,000		34	64	13	24
₦1,400,001 – ₦2,050,000		57	76	24	32
₦2,050,001 – ₦2,330,000		21	12	4	8
₦2,330,001 – ₦2,840,000		34	25	20	11
₦2,840,001 – ₦3,000,000		6	7	3	4
₦3,000,001 – ₦4,500,000		49	38	33	27
₦4,500,001 – ₦5,950,000		34	25	22	16
₦5,950,001 – ₦6,800,000		8	-	7	-
₦6,800,001 – ₦7,800,000		3	9	-	5
₦7,800,001 – ₦8,600,000		10	12	7	7
₦8,600,001 – ₦11,800,000		21	21	13	12
Above ₦11,800,000		30	20	18	13
Balance, end of year		**350**	**350**	**164**	**159**

The average number of full time persons employed by the Company during the year was as followed:

	Notes	GROUP 31 Dec-2021 Number	GROUP 31 Dec-2020 Number	COMPANY 31 Dec-2021 Number	COMPANY 31 Dec-2020 Number
Executive Directors		9	11	2	2
Management staff		136	139	81	78
Non management staff		214	211	83	81
		359	**361**	**166**	**161**

ii **Directors' remuneration:**

Remuneration paid to the Directors of the Company was as follows:

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Directors fees		67,500	67,500	67,500	67,500
Other directors expenses		406,812	374,688	255,392	197,609
		474,312	**442,188**	**322,892**	**265,109**

The directors' remuneration shown above (excluding pension contributions and other allowances):

	Notes	GROUP 31 Dec-2021 ₦'000	GROUP 31 Dec-2020 ₦'000	COMPANY 31 Dec-2021 ₦'000	COMPANY 31 Dec-2020 ₦'000
Chairman		5,200	5,200	5,200	5,200
Highest paid director		60,000	55,757	60,000	45,125

The emoluments of all other directors fell within the following range:

	Notes	GROUP 31 Dec-2021 Number	GROUP 31 Dec-2020 Number	COMPANY 31 Dec-2021 Number	COMPANY 31 Dec-2020 Number
N500,000- N1,000,000		9	7	0	0
Above N2,000,000		11	13	7	9
		20	**20**	**7**	**9**

54 Related parties

Parent

Mutual Benefits Assurance Plc (incorporated in Nigeria) is the ultimate parent of the group.

Transactions between Mutual Benefits Assurance Plc and the subsidiaries also meet the definition of related party transactions. Where these are eliminated on consolidation, they are not disclosed in the consolidated financial statements.

Transactions with key management personnel

The Group's key management personnel, and persons connected with them are considered to be related parties for disclosure purposes. The definition of key management includes close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Group. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with Mutual Benefits Assurance Plc.

The volume of related party transactions, outstanding balances at the year end, and related expense and income for the year are as follows:

		GROUP		COMPANY	
	Notes	**2021 ₦'000**	**2020 ₦'000**	**2021 ₦'000**	**2020 ₦'000**
Key management compensation					
Salaries and other short-term benefits		223,431	256,017	105,000	105,000
Directors fees and allowance		75,550	75,550	67,500	67,500
Defined contribution pension		6,956	11,346	4,556	4,556
Other directors expenses		60,000	60,000	30,000	30,000
		365,937	**402,913**	**207,056**	**207,056**

Transactions with key management personnel

		GROUP		COMPANY	
	Notes	**2021 ₦'000**	**2020 ₦'000**	**2021 ₦'000**	**2020 ₦'000**
Loans and advances to directors					
Balance as at 1 January		-	1,455	-	-
Granted during the year		-	-	-	-
Interest during the year		-	2,749	-	-
Repayment		-	(4,204)	-	-
Impact of foreign exchange rate changes		-	-	-	-
Balance as at 31 December		**-**	**-**	**-**	**-**
Interest earned		-	2,749	-	-

Loans to key management personnel include mortgage loans and other personal loans which are given under terms that are no more favourable than those given to other staff. Mortgage loans are secured by the underlying assets. All other loans are unsecured.

No provision has been recognised in respect of loans given to key management personnel (2020:Nil).

Loans and advances to subsidiary	2021 ₦'000	2020 ₦'000
Mutual Homes and Properties Limited	200,140	200,140

	COMPANY 2021 ₦'000	2020 ₦'000
Repayment	-	(21,200)
Interest earned	-	-

During the year, the Company carried out transactions with some entities related to it. Details of these transactions and outstanding balances are stated below:

Name of related party

	Nature of relationship	Type ofTransaction	COMPANY 2021 ₦'000	2020 ₦'000
Receivables/ (Payables)				
Mutual Homes & Properties Ltd	Subsidiary	Loan	200,140	200,140
Mutual Benefits Microfinance Bank Ltd	Subsidiary	Current account	221,075	28,446
Mutual Benefits Microfinance Bank Ltd	Subsidiary	Fixed deposit	616,375	15,115
Prime Exploration and Production Limited	Directors	Loan	12,484,684	12,073,638
Interest income				
Prime Exploration and Production Limited	Directors	Interest on loan	1,811,046	2,002,657

55 Contingent liabilities

i ***Litigation and claims***

The Company is presently involved in Nineteen (19) litigations as defendants with estimated claims of ₦662,901,514 (2020: ₦485,652,176). In the directors' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss at 31 December 2021.

ii ***Capital commitments***

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the Group's and the Company's state of financial affairs have been taken into account in the preparation of these consolidated and separate financial statements.

56 Contravention

	₦'000
Penalty for breach of Rule 1.1.5 of NSE	7,700,00

The penalty relates to default filing of the 2020 audited financial statements in line with Rule 1.1.5 of NSE.

57 Events after the reporting date

Two payments of USD 2 Million and USD 2.5 Million were made on 26 January 2022 and 27 April 2022 respectively to extinguish the loan from Concept Capital Management Ltd. which replaced the Daewoo Bonds.

APPENDIX 1 - SUMMARISED REVENUE ACCOUNT (NON-LIFE)

	General accident ₦'000	Aviation & oil and gas ₦'000	Bond ₦'000	Marine ₦'000	Motor ₦'000	Fire ₦'000	Dec 2021 Total ₦'000	Dec 2020 Total ₦'000
Gross premium written	2,588,254	2,540,870	182,947	2,668,212	3,949,176	1,864,817	13,794,276	9,207,506
Changes in unexpired premium	(353,707)	(372,140)	(25,000)	(193,854)	(340,753)	(118,603)	(1,404,058)	(808,742)
Gross premium earned	2,234,547	2,168,730	157,946	2,474,359	3,608,423	1,746,214	12,390,218	8,398,764
Premiums ceded to reinsurers	(730,782)	(575,374)	(7,512)	(489,706)	(172,461)	(734,107)	(2,709,943)	(2,262,009)
Net premium earned	1,503,765	1,593,356	150,434	1,984,652	3,435,961	1,012,107	9,680,275	6,136,755
Commission received	227,295	19,375	3,676	178,464	7,578	240,404	676,792	519,547
Total underwriting income	1,731,059	1,612,731	154,110	2,163,116	3,443,539	1,252,511	10,357,067	6,656,302
Gross claims paid	964,957	563,103	70	433,089	2,445,330	1,124,661	5,531,210	3,146,779
Change in outstanding claims	633,096	321,786	-	(19,677)	131,869	57,921	1,124,995	1,591,352
Gross claim incurred	1,598,053	884,889	70	413,411	2,577,199	1,182,583	6,656,205	4,738,131
Reinsurance recoveries	587,030	-	-	209,875	386,631	668,626	1,852,162	318,640
Due from re-insurers	46,425	-	-	16,598	30,576	52,878	146,477	863,339
Gross recoveries	633,455	-	-	226,473	417,207	721,504	1,998,639	1,181,979
Net benefits and claims	964,598	884,889	70	186,938	2,159,992	461,079	4,657,566	3,556,150
Net income	**766,461**	**727,842**	**154,040**	**1,976,178**	**1,283,548**	**791,432**	**5,699,501**	**3,100,150**
UNDERWRITING EXPENSES								
Amortised deferred acquisition costs	(390,611)	(379,725)	(14,983)	(353,453)	(318,555)	(302,130)	(1,759,456)	(1,418,555)
Other underwriting expenses	(329,317)	(323,289)	(23,277)	(339,491)	(502,474)	(237,270)	(1,755,119)	(728,539)
Underwriting profit	**46,533**	**24,829**	**115,780**	**1,283,234**	**462,518**	**252,032**	**2,184,926**	**953,058**

	GROUP				COMPANY			
	31 Dec-2021 ₦'000	%	31 Dec-2020 ₦'000	%	31 Dec-2021 ₦'000	%	31 Dec-2020 ₦'000	%
Gross premium written	29,299,247		19,983,843		13,794,276		9,207,506	
Net benefits and claims	(10,805,690)		(7,995,711)		(4,657,566)		(3,556,150)	
Premiums ceded to reinsurers	(3,673,726)		(3,349,341)		(2,709,943)		(2,262,009)	
Other charges and expenses	(20,591,710)		(4,290,212)		(9,576,930)		(1,799,858)	
Fees and commission income	760,337		721,205		676,792		519,547	
	(5,011,542)		5,069,784		(2,473,371)		2,109,036	
Investment income	1,458,031		2,599,288		702,593		1,135,155	
Value added	**(3,553,510)**	**100**	**7,669,072**	**100**	**(1,770,778)**	**100**	**3,244,191**	**100**
Applied to pay:								
Employee benefits	2,036,556	(57)	1,917,481	25	1,034,847	(58)	989,293	30
Government as tax	26,022	(1)	324,025	4	(215,051)	12	94,932	3
Retained in the business:								
Contingency reserve	-	-	709,566	9	-	-	372,571	11
Deferred income tax	(191,379)	5	(391,209)	(5)	(143,088)	8	(75,461)	(2)
(Loss)/profit for the year	(5,575,372)	157	5,131,816	67	(2,447,486)	138	1,862,856	57
Non-controlling interest	150,662	(4)	(22,607)	-	-	-	-	-
Value added	(3,553,510)	100	7,669,072	100	(1,770,778)	100	3,244,191	100

Value added statement represents the wealth created by the efforts of the Group and its employees' efforts based on ordinary activities and the allocation of that wealth being created between employees, shareholders, government and that retained for the future creation of more wealth.

Group - Statement of financial position

	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2019 ₦'000	31 Dec-2018 ₦'000	31 Dec-2017 ₦'000
ASSETS					
Cash and cash equivalents	14,164,438	11,420,144	6,821,006	5,483,347	8,345,638
Financial assets:					
Available-for-sale investment securities	-	-	-	-	849,524
Fair value through profit or loss	3,239,653	21,899,279	7,669,217	3,239,416	110,952
Equity instruments at fair value through OCI	459,849	140,641	345,967	731,018	-
Held-to-maturity	-	-	-	-	29,086,019
Financial assets at amortised cost	47,711,125	31,673,998	34,558,814	31,224,370	-
Financial assets held for trading pledged as collateral	137,283	140,648	123,742	142,100	168,064
Trade receivables	425,908	348,617	563,813	912,116	629,280
Reinsurance assets	4,656,470	4,311,840	4,313,967	3,574,723	2,455,731
Other receivables	1,002,084	872,455	1,126,513	1,350,547	993,182
Deferred acquisition costs	950,020	587,978	526,618	457,248	485,283
Finance lease receivables	2,340	657	83,552	116,154	145,055
Inventories	44,299	169,799	436,156	518,236	907,822
Assets held for sale	-	-	-	5,550,000	-
Investment properties	6,091,000	6,721,000	6,931,000	1,476,000	8,566,000
Intangible assets	333,980	46,853	50,090	49,550	43,994
Property, plant and equipment	3,483,414	3,423,421	3,426,326	3,930,517	3,922,931
Statutory deposit	500,000	500,000	500,000	500,000	500,000
Deposit for shares	-	-	-	-	480,588
Deferred tax assets	578,480	612,077	300,815	145,378	-
Goodwill	-	-	-	1,543	1,543
Total assets	**83,780,343**	**82,869,407**	**67,777,596**	**59,402,263**	**57,691,606**
LIABILITIES					
Insurance contract liabilities	23,464,143	17,572,283	14,100,805	13,050,555	10,299,090
Investment contract liabilities	30,178,616	28,447,267	26,266,129	25,276,261	26,564,221
Trade payables	2,145,731	2,127,006	2,415,121	1,784,782	2,858,296
Other liabilities	2,600,475	3,409,284	1,380,767	939,507	1,161,224
Deposit liabilities	1,327,465	301,618	389,640	512,153	259,268
Borrowings	2,338,331	3,890,130	6,752,845	6,671,845	6,509,170
Current income tax liabilities	485,119	904,704	893,369	793,528	687,173
Deferred tax liabilities	1,364,586	1,528,578	1,045,224	1,263,609	1,063,084
Total liabilities	**63,904,466**	**58,180,870**	**53,243,900**	**50,292,240**	**49,401,526**
EQUITY					
Share capital	10,030,811	5,586,367	5,586,367	4,000,000	4,000,000
Share premium	276,486	-	-	-	-
Treasury shares	(250)	(250)	(250)	(250)	(250)
Deposit for Shares	-	4,800,000	-	-	-
Foreign currency transalation reserve	1,551,085	1,161,602	938,821	1,116,284	911,064
Contingency reserve	4,702,054	4,172,059	3,462,493	2,960,268	2,801,764
Fair value reserve	(559,729)	(878,937)	(673,611)	(288,560)	-
Revaluation reserve	1,520,131	1,520,131	1,520,131	1,520,131	1,467,403
Retained earnings/(accumulated losses)	888,420	6,993,787	2,598,898	(372,549)	(1,079,247)
Shareholders's fund	**18,409,008**	**23,354,759**	**13,432,849**	**8,935,324**	**8,100,734**
Owners of the parent	18,409,008	23,354,759	13,432,849	8,935,324	8,100,734
Non-controlling interests in equity	1,466,869	1,333,778	1,100,847	174,699	189,346
Total equity	**19,875,877**	**24,688,537**	**14,533,696**	**9,110,023**	**8,290,080**
Total liabilities and equity	**83,780,343**	**82,869,407**	**67,777,596**	**59,402,263**	**57,691,606**

Group- Statement of profit or loss

	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Gross premium written	29,299,247	19,983,843	18,697,839	15,840,697	14,037,879
Gross premium income	26,128,991	19,428,373	18,121,911	15,634,846	13,352,960
(Loss)/profit before income tax	(5,590,066)	5,042,025	3,754,055	1,380,982	1,335,093
Income tax expense	165,356	67,184	(141,815)	(231,975)	(312,585)
(Loss)/profit after income tax	(5,424,710)	5,109,209	3,612,240	1,149,007	1,022,508
Transfer to contingency reserve	(529,995)	(709,566)	(502,225)	(158,504)	(268,604)
(Loss)/earnings per share- Basic (kobo)	(36)	46	36	14	13
(Loss)/earnings per share- Diluted (kobo)	(36)	46	36	14	13

Company - Statement of financial position

	31 Dec-2021 ₦'000	31 Dec-2020 ₦'000	31 Dec-2019 ₦'000	31 Dec-2018 ₦'000	31 Dec-2017 ₦'000
ASSETS					
Cash and cash equivalents	2,719,127	4,761,993	2,146,927	2,452,961	3,249,277
Financial assets:					
Available-for-sale investment securities	-	-	-	-	21,553
Equity Instruments at fair value through OCI	79,021	60,008	57,842	54,211	-
Financial assets at fair value through profit or loss	1,499,610	5,879,688	3,377,844	2,752,187	110,952
Loans and receivables	-	-	-	-	633,143
Held to maturity	-	-	-	-	4,457,954
Debt Instruments at amortised costs	11,195,891	7,876,601	5,534,279	4,786,322	-
Financial assets held for trading pledged as collateral	137,283	140,648	123,742	142,100	168,064
Trade receivables	57,882	182,138	316,582	386,040	278,159
Reinsurance assets	2,386,324	1,885,227	1,823,103	1,507,512	1,086,826
Other receivables	510,551	296,349	328,063	286,183	560,682
Deferred acquisition costs	655,070	432,422	355,388	352,860	312,182
Finance lease receivables	2,340	657	83,552	116,154	134,044
Investment properties	56,000	56,000	56,000	56,000	56,000
Investment in subsidiaries	6,120,000	6,120,000	6,000,000	4,000,000	4,000,000
Intangible assets	78,180	12,706	23,957	10,924	15,387
Property, plant and equipment	2,137,229	2,219,816	2,398,161	2,689,261	2,925,601
Statutory deposit	300,000	300,000	300,000	300,000	300,000
Deposit for shares	-	-	-	-	410,588
Deferred tax assets	94,288	91,556	65,718	66,344	-
Total assets	**28,028,796**	**30,315,809**	**22,991,158**	**19,959,059**	**18,720,412**
LIABILITIES					
Insurance contract liabilities	9,957,655	7,428,602	5,028,508	5,132,636	4,352,606
Trade payables	701,977	756,603	1,227,507	871,652	1,028,272
Other liabilities	1,780,886	1,954,097	375,331	200,867	235,695
Borrowings	2,338,331	3,890,130	6,752,845	6,671,845	6,509,170
Current income tax liabilities	228,456	616,987	642,173	479,914	422,005
Deferred tax liabilities	519,212	659,568	709,191	853,763	705,821
Total liabilities	**15,526,517**	**15,305,987**	**14,735,555**	**14,210,677**	**13,253,569**
EQUITY					
Share capital	10,030,811	5,586,367	5,586,367	4,000,000	4,000,000
Share premium	276,486	-	-	-	-
Treasury shares	(250)	(250)	(250)	(250)	(250)
Deposit for Shares	-	4,800,000	-	-	-
Contingency reserve	3,531,871	3,118,041	2,745,470	2,494,470	2,398,485
Fair value losses	(114,887)	(133,900)	(136,066)	(139,697)	-
Revaluation reserve	1,339,395	1,339,395	1,339,395	1,339,395	1,339,395
(Accumulated losses)/retained Earnings	(2,561,147)	300,169	(1,279,313)	(1,945,536)	(2,270,787)
Shareholders's fund	**12,502,279**	**15,009,822**	**8,255,603**	**5,748,382**	**5,466,843**
Total liabilities and equity	**28,028,796**	**30,315,809**	**22,991,158**	**19,959,059**	**18,720,412**

Company - Statement of profit or loss

	2021 ₦'000	2020 ₦'000	2019 ₦'000	2018 ₦'000	2017 ₦'000
Gross premium written	13,794,276	9,207,506	8,366,641	8,018,299	7,298,974
Premium earned	12,390,218	8,398,764	8,538,415	7,677,706	6,986,273
(Loss)/profit before income tax	(2,805,625)	1,882,327	1,291,971	636,547	849,091
Income tax credit/(expense)	358,139	(19,471)	(205,667)	(156,618)	(243,815)
(Loss)/profit after income tax	(2,447,486)	1,862,856	1,086,304	479,929	605,276
Transfer to contingency reserve	(413,830)	(372,571)	(251,000)	(95,985)	(218,970)
(Loss)/earnings per share- Basic (kobo)	(16)	17	11	6	8
(Loss)/earnings per share- Diluted (kobo)	(16)	17	11	6	8

	AUTHORIZED (N)		AUTHORIZED (N)		
DATE	**INCREASE**	**CUMULATIVE**	**INCREASE**	**CUMULATIVE**	**CONSIDERATION**
1995		5,000,000		5,000,000	CASH
1995	15,000,000	20,000,000	15,000,000	20,000,000	CASH
1996	10,000,000	30,000,000	10,000,000	30,000,000	CASH
1999	40,000,000	70,000,000	40,000,000	70,000,000	CASH
2001	150,000,000	220,000,000		70,000,000	CASH
2002	280,000,000	500,000,000	150,000,000	220,000,000	CASH(IPO)
2003		500,000,000	73,483,333	293,483,333	BONUS (1:5)
2004		500,000,000	206,516,667	500,000,000	CASH(RIGHT)
2006	2,500,000,000	3,000,000,000	450,000,000	950,000,000	BONUS (9:10)
2007	2,000,000,000	5,000,000,000	2,394,730,000	2,844,370,000	CASH (PUBLIC OFFER)
2009		5,000,000	1,155,639,000	4,000,000,000	CASH (Capitalization of deposit for share)
2018	5,000,000	10,000,000,000	-	4,000,000,000	Nil
2019	-	10,000,000,000	1,586,367,000	5,586,367,000	CASH (Right Issue)
2021	50,000,000	10,050,000,000	4,444,444,000	10,030,811,000	CASH (Private Placement)

Apel Capital
Registrars Limited

E-DIVIDEND MANDATE ACTIVATION FORM

PASSPORT PHOTOGRAPH HERE

Please complete all section of this form to make it eligible for processing and return to the address below

The Registrar,
Apel Capital Registrars Limited.
8, Alhaji Bashorun Street
Off Norman Williams Str, S.W Ikoyi Lagos.

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be credited directly to my/our bank detailed below:

BVN ____________________

BANK NAME ____________________

ACCOUNT NUMBER ____________________

ACCOUNT OPENING DATE ____________________

SHAREHOLDER'S ACCOUNT INFORMATION

Surname/Company name **First Name** **Other Name**

Address

City **State** **Country**

Previous Address(if any)

CHN (if any)

Mobile telephone 1 **Mobile telephone 2**

Email address

Signature(s) **Company seal (if applicable)**

Joint/Company's Signatories

Note: This service cost N150.

Tick	Name of Company	Shareholder's Acct NO.
	ADAS PROGRAMME LIMITED	
	AIICO BALANCED FUND	
	ANINO INT'L PLC	
	ARBICO PLC	
	CALIPHATE SUKUK SPV LIMITED	
	CHAPEL HILL DENHAM MONEY MARKET FUND	
	CITITRUST FINANCIAL SERVICES PLC	
	EUNISELL INTERLINKED PLC	
	INTERNATIONAL BREWERIES PLC	
	KSIP FUNDING SPV LIMITED SERIES 1	
	KSIP FUNDING SPV LIMITED SERIES 2	
	LAGOS COMMODITIES & FUTURES EXCHANGE	
	LASACO ASSURANCE PLC	
	LEAD UNIT TRUST SCHEME	
	MANZ SPV LTD	
	MASS TELECOM INNOVATION PLC	
	METAL SECURITY PRODUCTS LTD	
	MODERN SHELTER SYSTEMS & SERVICES BOND 1	
	MODERN SHELTER SYSTEMS & SERVICES BOND 2	
	MUTUAL BENEFITS ASSURANCE PLC	
	MUTUAL TRUST MICROFINANCE BANK LTD	
	NCR (NIGERIA) PLC	
	NEM INSURANCE PLC	
	OGC FOODS & BEVERAGES LIMITED	
	PARAMOUNT EQUITY FUND	
	PHARMA DEKO PLC	
	THE INITIATES PLC	
	THE NIGERIA FOOTBALL FUND	

Address: 8, Alhaji Bashorun Street, Off Norman Williams Crescent, S.W. Ikoyi Lagos
Email: registrars@apel.ng | **Tel:** 01293 2121, 07046126698

MUTUAL

MUTUAL'S PRODUCTS

GENERAL BUSINESS PRODUCTS

- Property Insurance
- Fire and Special Perils
- Burglary/House Breaking
- Householders, House-owners
- Comprehensive
- Marine Cargo
- Marine Hull
- Motor
- Goods-in-Transit
- All Risks
- Industrial All Risks
- Liability
- Bond Insurance
- Money
- Professional Indemnity
- Fidelity Guarantee
- Public Liability/ Product Liability
- Bond and Suretyship
- Workmen's Compensation

Special Risks

- Aviation & Related Risks
- Oil & Gas

LIFE PRODUCTS

- Personal Accident
- Group Personal Accident
- Individual Savings & Pension Plan
- Personal Pension & Investment Plan
- Mutual Education Guarantee Plan
- Keyman Assurance
- Mortgage protection
- Group Life Assurance
- Term Assurance
- Endowment Assurance

RETAIL MARKETING PRODUCTS

- Insurvisa - Travel Insurance
- Greenshield - 24 hr. Accident Cover
- Greenshield - Life
- Mutual Group Investment Protection Plan
- Micro Personal Investment Plan

Notice is hereby given that the 26th Annual General Meeting of **Mutual Benefits Assurance Plc.** will be held at Radisson Hotel, Isaac John Street, G.R.A. Ikeja, Lagos on 26th October at 10.00 am to transact the following business:

I/We……………………………………………….of……………………………………………………………………………………
……………………………………………………………………………………being a member of MUTUAL BENEFITS ASSURANCE PLC, hereby appoint **Mr./Mrs…………………………………………………… of…………………………………………………………
……………………………………………… or failing him, the chairman of the meeting as my/our proxy to vote for me/our behalf at the Annual General Meeting of the company to be held on 26th October 2022 and at any adjournment thereof.

Dated this……………………………………………….day of ………………………………………………………….2022

Shareholder's signature……………………………………………………………

RESOLUTION	FOR	AGAINST
1. To lay before the Members, the Audited Financial Statements of the Company for the year ended 31st December 2021 together with the Reports of Directors, Auditors and Statutory Audit Committee thereon.		
2. To re-elect the following Directors retiring by rotation and being eligible have offered themselves for re-election		
i. Dr. Akin Ogunbiyi		
ii. Dr. Eze Ebube		
iii. Mr. Soye Olatunji		
3. To authorise the Directors to fix the remuneration of the Auditors;		
4. To disclose the remuneration of the Managers		
5. To elect shareholders' representatives of the Statutory Audit Committee.		
6. To approve the remuneration of Directors		
7. To consider and if thought fit pass with or without modification the following as special resolutions:		
Amendment to Clauses 3 & 4 of the Memorandum of Association and Articles 5,46, & 66 of the Articles of Association		
"That the Company Secretary be and is hereby authorized to take such steps and to do such things as may be required to give effect to the above resolutions.		

Please indicate with **'X'** in the appropriate square how you wish your vote to be cast on the resolutions referred to above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

Compliance with the COVID-19 Related Directives and Guidelines

In view of the ravaging COVID-19 pandemic, the curtailment measures and the guidelines put in place by the Federal Government, Lagos State Government, Health Authorities and Regulatory Agencies, particularly, the Corporate Affairs Commission (CAC) issued Guidelines on Holding AGM of Public Companies by Proxy. The convening and conduct of the AGM shall be done in compliance with these directives and guidelines.

PROXY

A member entitled to attend and vote at the Annual General Meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need to be a member of the Company. To be valid, a proxy form must be completed and duly stamped by the Commissioner of Stamp Duties and returned to the Registrar, Apel Capital Registrars Limited, 8, Alhaji Bashorun Street Off Norman Williams Crescent South West Ikoyi Lagos or by mail to registrars@apel.ng not less than 48 hours before the time of the meeting.

Attendance by Proxy

In line with CAC Guidelines, attendance of the AGM still be by Proxy only. Shareholders are required to appoint a proxy of their choice from the list of nominated proxies below:

1.	**Dr. Akin Ogunbiyi**	**Chairman, Board of Directors**
2.	**Mr. Olufemi Asenuga**	**Managing Director/CEO**
3.	**Mr. Biyi Ashiru-Mobolaji**	**Executive Director**
4.	**Mr. Eric Akinduro**	**Shareholder**
5.	**Dr. Anthony Omojola**	**Shareholder**
6.	**Mrs. Bisi Bakare**	**Shareholder**
7..	**Mrs. Efunyemi Obideyi**	**Shareholder**
8.	**Mr. Moses Igbrude**	**Shareholder**

Stamping of Proxy

The Company has made arrangements, at its cost for the stamping of the duly completed and signed proxy forms submitted to the Company's Registrars within the stipulated time.

Broadcast of the AGM

The AGM will be recorded and broadcast online. This will enable shareholders and other stakeholders who will not be attending physically to view the proceedings. The link for the AGM broadcast will be made on the Company's website at www.mutualng.com

Please tear here

ADMISSION FORM

MUTUAL BENEFITS ASSURANCE PLC. RC 269837

The 26th Annual General Meeting of Mutual Benefits Assurance Plc. will be held at Radisson Hotel, Isaac John Street GRA Ikeja, Lagos on Thursday 29th October 2022 at 10:00 am

Name of Shareholder*____

IF YOU ARE UNABLE TO ATTEND THE MEETING

A member (shareholder) who is unable to attend Annual General meeting is allowed by law to vote by proxy and the above proxy Form has been prepared to enable you to exercise your right to vote in case you cannot personally attend the meeting.

A. This admission form must be produced by his proxy in order to obtain entrance to the Annual General Meeting.

B. Shareholder or their proxies are represented to sign the admission form before attending the meeting:

Name of person attending:

Signature of Person attending:

MUTUAL

MUTUAL'S PRODUCTS

GENERAL BUSINESS BIAS

- Event Centre Insurance
- Advertising Agency Insurance
- Corporate Office Insurance
- Sales Office Insurance
- Hair Salon Insurance
- Law Firm Insurance
- Accounting Firm Insurance
- Hotel Insurance
- School Insurance
- Hospital Insurance
- Fast Food Restaurant Insurance
- Nollywood Insurance
- Church Insurance
- Mosque Insurance
- Estate Managers Insurance
- Landlord and Tenant Insurance
- Travel and Tour Agency Insurance
- Market and Shopping Insurance
- Complex Insurance
- Sales-shop and Supermarket Insurance
- Laundry And Cleaning
- Services Insurance
- Microfinance Bank Insurance
- SME Comprehensive Insurance
- Mega Comprehensive Insurance
- Motor Insurance
- Motor Dealers Complimentary
- Politician And Political Insurance
- Risk Insurance

LIFE AND INVESTMENT BIAS

- Juvenile Life Assurance
- Lady Life Assurance
- Senior life Assurance
- Mortgage Endowment Assurance
- Pilgrims Welfare Insurance
- Celebrity Life Assurance