



Mutual Benefits Assurance Plc.

RC 269837

SUMMARY CONSOLIDATED & SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present the summary financial statements of Mutual Benefits Assurance Plc ('the Company') and its subsidiary companies (together the 'Group') for the year ended 31 December 2020. These summary financial statements are derived from the full financial statements for the year ended 31 December 2020 and are not the full financial statements of the Group and the Company. The Company's Independent Auditor issued an unmodified audit opinion on the full financial statements for the year ended 31 December 2020 from which these summary financial statements were derived.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

As at 31 December, 2020 in thousands of Nigerian Naira	GROUP		COMPANY	
	31 DECEMBER 2020	31 DECEMBER 2019	31 DECEMBER 2020	31 DECEMBER 2019
ASSETS				
Cash and cash equivalents	11,420,144	6,821,006	4,761,993	2,146,927
Equity instruments at fair value through OCI	140,641	345,967	60,008	57,842
Financial assets at fair value at through profit or loss	21,899,279	7,669,217	5,879,688	3,377,844
Loans and receivables	12,849,870	11,181,262	250,916	277,110
Debt instruments at amortised cost	18,824,128	23,377,552	7,625,685	5,257,169
Financial assets held for trading pledged as collateral	140,648	123,742	140,648	123,742
Trade receivables	348,617	563,813	182,138	316,582
Reinsurance assets	4,311,840	4,313,967	1,885,227	1,823,103
Other receivables and prepayments	865,217	1,119,275	267,111	200,825
Deferred acquisition costs	587,978	526,618	432,422	355,388
Finance lease receivables	657	83,552	657	83,552
Inventories	169,799	436,156	-	-
Investment properties	6,721,000	6,931,000	56,000	56,000
Intangible assets	46,853	50,090	12,706	23,957
Property, plant and equipment	3,423,421	3,426,326	2,219,816	2,398,161
Investment in Subsidiaries	-	-	6,120,000	6,000,000
Statutory deposit	500,000	500,000	300,000	300,000
Deposit for investment in equity shares	7,238	7,238	29,238	127,238
Deferred tax assets	612,077	300,815	91,556	65,718
Total assets	82,869,407	67,777,596	30,315,809	22,991,158
LIABILITIES				
Insurance contract liabilities	17,572,283	14,100,805	7,428,602	5,028,508
Investment contract liabilities	28,447,267	26,266,129	-	-
Trade payables	2,127,006	2,415,121	756,603	1,227,507
Other liabilities	3,409,284	1,380,767	1,954,097	375,331
Deposit liabilities	301,618	389,640	-	-
Current income tax liabilities	904,704	893,369	616,987	642,173
Borrowings	3,890,130	6,752,845	3,890,130	6,752,845
Deferred tax liabilities	1,528,578	1,045,224	659,568	709,191
Total liabilities	58,180,870	53,243,900	15,305,987	14,735,555
EQUITY				
Share capital	5,586,367	5,586,367	5,586,367	5,586,367
Treasury shares	(250)	(250)	(250)	(250)
Deposit for Shares	4,800,000	-	4,800,000	-
Foreign currency translation reserve	1,161,602	938,821	-	-
Contingency reserve	4,172,059	3,462,493	3,118,041	2,745,470
Fair value reserve	(878,937)	(673,611)	(133,900)	(136,066)
Revaluation reserve	1,520,131	1,520,131	1,339,395	1,339,395
Retained Earnings/ (accumulated losses)	6,993,787	2,598,898	300,169	(1,279,313)
Total shareholders' fund	23,354,759	13,432,849	15,009,822	8,255,603
Total equity attributable to the:				
Owners of the parent	23,354,759	13,432,849	15,009,822	8,255,603
Non-controlling interests in equity	1,333,778	1,100,847	-	-
Total equity	24,688,537	14,533,696	15,009,822	8,255,603
Total liabilities and equity	82,869,407	67,777,596	30,315,809	22,991,158

The full consolidated and separate financial statements were approved by the Board of Directors on 29 March 2021 and signed on its behalf by:

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

Olufemi Aseunuga
FRC/2013/CIIN/00000003104
Acting Managing Director/CEO

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

INDEPENDENT AUDITOR'S REPORT



Independent Auditor's Report to the Members of Mutual Benefits Assurance PLC on the Summary Consolidated and Separate Financial Statements

Report on the Audit of the Summary Consolidated and Separate Financial Statements

Opinion

The summary 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 2020, and consolidated statements of profit or loss and other comprehensive income for the year then ended, are derived from the audited financial statements of Mutual Benefits Assurance PLC for the year ended 31 December 2020.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (IASB) and the relevant provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, the relevant National Insurance Commission (NAICOM) guidelines and circulars and the Financial Reporting Council of Nigeria Act No. 6, 2011.

The summary consolidated and separate financial statements

The summary consolidated and separate financial statements do not contain all the disclosures required by the International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), the 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, applied in the preparation of the consolidated and separate financial statements of the Group. The summary financial statements should be read in conjunction with the audited financial statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

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CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December, 2020 in thousands of Nigerian Naira	GROUP		COMPANY	
	31 DECEMBER 2020	31 DECEMBER 2019	31 DECEMBER 2020	31 DECEMBER 2019
Gross premium written	19,983,843	18,697,839	9,207,506	8,366,641
Gross premium income	19,428,373	18,121,911	8,398,764	8,538,415
Premium ceded to reinsurers	(3,349,341)	(2,832,796)	(2,262,009)	(1,958,821)
Net premium income	16,079,032	15,289,115	6,136,755	6,579,594
Fees and Commission income	721,205	482,766	519,547	348,208
Net underwriting income	16,800,237	15,771,881	6,656,302	6,927,802
Net benefits and claims	7,995,711	5,926,745	3,556,150	2,227,111
Changes in life fund	192,942	354,439	-	-
Changes in annuity reserve	3,996	(94,408)	-	-
Underwriting expenses	4,931,501	4,186,117	2,147,094	2,117,318
Net underwriting expenses	13,124,150	10,372,893	5,703,244	4,344,429
Underwriting profit	3,676,087	5,398,988	953,058	2,583,373
Profit on investment contracts	416,303	1,074,178	-	-
Investment income	2,599,288	2,487,931	1,135,155	1,282,142
Net fair value gain on assets at FVTPL	3,292,431	974,962	1,127,088	445,511
Other income	1,697,590	71,759	1,616,965	21,697
Impairment(charge)/write-back on financial assets	(921,635)	(354,230)	(86,123)	2,087
Employee benefit expenses	(1,917,481)	(2,245,924)	(989,293)	(1,060,858)
Management expenses	(3,959,046)	(3,798,865)	(2,011,304)	(1,907,871)
Net foreign exchange gains/ (losses)	149,869	(74,110)	149,869	(74,110)
Result of Operating activities	5,033,406	3,534,689	1,895,415	1,291,971
Finance costs	(23,351)	(50,964)	(13,088)	-
Finance income	31,970	270,329	-	-
Profit before income tax	5,042,025	3,754,054	1,882,327	1,291,971
Income tax credit/(expenses)	67,184	(141,815)	(19,471)	(205,667)
Profit for the year	5,109,209	3,612,239	1,862,856	1,086,304
Profit attributable to:				
Owners of the parent	5,131,816	3,642,753	1,862,856	1,086,304
Non-controlling interests	(22,607)	(30,514)	-	-
	5,109,209	3,612,239	1,862,856	1,086,304
Earnings per share:				
Basic and diluted (kobo)	46	36	17	11
Profit for the year	5,109,209	3,612,239	1,862,856	1,086,304
Other comprehensive income (Net of Tax)				
Items that may be reclassified to the profit or loss account in subsequent periods:				
Foreign currency translation gain/(loss) (net of tax)	478,319	(185,811)	-	-
	478,319	(185,811)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (Net of Tax)				
Net revaluation (losses)/gains on Equity Instrument at FVOCI	(205,326)	(385,051)	2,166	3,631
	(205,326)	(385,051)	2,166	3,631
Total other comprehensive income for the year, net of tax	272,993	(570,862)	2,166	3,631
Total comprehensive income for the year, net of tax	5,382,202	3,041,377	1,865,022	1,089,935
Total comprehensive income attributable to:				
Owners of the parent	5,149,271	3,080,239	1,865,022	1,089,935
Non-controlling interest	232,931	(38,862)	-	-
	5,382,202	3,041,377	1,865,022	1,089,935

The Audited Consolidated and Separate Financial Statements and Our Report Thereon

We expressed an unqualified opinion on the audited consolidated and separate financial statements in our report dated 23 April 2021. That report also includes the communication of key audit matters which discussed the adequacy of the valuation of insurance contract liabilities (outstanding claims).

Directors' Responsibility for the Summary Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of these summary consolidated and separate financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, the Financial Reporting Council of Nigeria Act No. 6, 2011 and relevant policy guidelines issued by the National Insurance Commission (NAICOM), and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatements whether due to fraud or error.

Auditor's Responsibility for the Summary Consolidated and Separate Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA 810) Engagement to Report on Summary Financial Statements.

Report on Other Legal and Regulatory Requirements

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- in our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books;
- the Consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account;
- in accordance with the provisions of section 28(2) of the Insurance Act 2003, the consolidated and separate financial statements gives a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

Sayo Elumaro, FCA
FRC/2012/ICAN/00000001139
For: Ernst & Young
Lagos, Nigeria
Date: 23 April 2021

