



# Mutual Benefits Assurance Plc.

## SUMMARY CONSOLIDATED & SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022. These summary financial statements are derived from the full financial statements for the year ended 31 December 2022 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 2022 from which these summary financial statements were derived.

### CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

As at 31 December, 2022 In thousands of Nigerian Naira	GROUP		COMPANY	
	31 DECEMBER 2022	31 DECEMBER 2021	31 DECEMBER 2022	31 DECEMBER 2021
<b>ASSETS</b>				
Cash and cash equivalents	18,750,562	14,164,438	3,027,375	2,719,127
Equity Instruments at fair value through OCI	417,911	459,849	82,338	79,021
Financial assets at fair value through profit or loss	3,152,044	3,239,653	1,447,716	1,489,610
Financial assets at amortised cost	51,268,931	47,711,125	10,850,341	11,195,991
	130,358	137,283	130,358	137,283
Financial assets held for trading pledged as collateral				
Trade receivables	839,744	425,908	494,409	57,882
Reinsurance assets	6,372,086	4,856,470	3,250,170	2,386,324
Other receivables and prepayments	785,057	1,002,084	322,617	510,551
Deferred acquisition costs	1,008,889	950,020	765,211	655,070
Finance lease receivables	9,788	2,340	9,788	2,340
Inventories		44,289		
Investment properties	5,320,000	6,091,000	75,000	56,000
Intangible assets	383,299	333,980	113,654	78,180
Property, plant and equipment	3,437,944	3,483,414	2,150,142	2,137,229
Investments in subsidiaries			6,120,000	6,120,000
Statutory deposit	500,000	500,000	300,000	300,000
Deferred tax assets	578,266	578,480	161,321	94,288
<b>Total assets</b>	<b>92,952,894</b>	<b>83,780,343</b>	<b>29,300,440</b>	<b>28,028,796</b>
<b>LIABILITIES</b>				
Insurance contract liabilities	26,094,699	23,464,143	11,008,662	9,957,655
Investment contract liabilities	33,505,502	30,178,616		
Trade payables	3,053,011	2,145,731	1,104,251	701,977
Other liabilities	3,045,626	2,600,475	1,784,026	1,780,886
Deposit liabilities	2,233,191	1,327,465		
Borrowings	460,870	2,338,331	400,870	2,338,331
Current income tax liabilities	769,870	485,119	566,884	228,456
Deferred tax liabilities	1,442,504	1,364,586	721,253	519,212
<b>Total liabilities</b>	<b>70,545,273</b>	<b>63,904,466</b>	<b>18,586,148</b>	<b>15,526,517</b>
<b>EQUITY</b>				
Share capital	10,030,811	10,030,811	10,030,811	10,030,811
Share Premium	276,486	276,486	276,486	276,486
Treasury shares	(250)	(250)	(250)	(250)
Foreign currency translation reserve	1,533,607	1,551,085		
Contingency reserve	5,362,185	4,702,054	4,004,353	3,531,871
Fair value reserve	(801,868)	(559,729)	(111,570)	(114,887)
Revaluation reserve	1,536,428	1,520,131	1,365,893	1,339,395
Retained Earnings/ (accumulated losses)	2,724,900	888,420	(1,841,231)	(2,561,147)
<b>Total shareholders' fund</b>	<b>20,862,679</b>	<b>18,409,008</b>	<b>13,714,292</b>	<b>12,502,279</b>
<b>Total equity attributable to the:</b>				
Owners of the parent	20,862,679	18,409,008	13,714,292	12,502,279
Non-controlling interests in equity	1,544,942	1,466,869		
<b>Total equity</b>	<b>22,407,621</b>	<b>19,875,877</b>	<b>13,714,292</b>	<b>12,502,279</b>
<b>Total liabilities and equity</b>	<b>92,952,894</b>	<b>83,780,343</b>	<b>29,300,440</b>	<b>28,028,796</b>

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 on 10th March, 2023 and were signed on its behalf by:

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

Olufemi Asenuga  
FRC/2013/CIN/00000003104  
Managing Director/CEO

Mr. Abayomi Ogunwo  
FRC/2013/CIN/00000011225  
Chief Finance Officer

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

For the year ended 31 December, 2022 In thousands of Nigerian Naira	GROUP		COMPANY	
	31 DECEMBER 2022	31 DECEMBER 2021	31 DECEMBER 2022	31 DECEMBER 2021
<b>Gross premium written</b>	<b>33,481,296</b>	<b>29,299,247</b>	<b>15,749,404</b>	<b>13,794,276</b>
Gross premium income	33,115,957	26,128,991	14,987,361	12,390,218
Premiums ceded to reinsurers	(4,355,584)	(3,673,726)	(3,817,584)	(2,709,943)
<b>Net premium income</b>	<b>28,760,373</b>	<b>22,455,265</b>	<b>11,389,777</b>	<b>9,680,275</b>
Fees and commission income	733,853	780,337	654,590	676,792
<b>Net underwriting income</b>	<b>29,494,226</b>	<b>23,235,602</b>	<b>12,044,367</b>	<b>10,357,067</b>
Net benefits and claims	11,811,987	10,805,690	3,592,864	4,857,566
Changes in life fund	473,709	850,885		
Changes in annuity reserve	(21,083)	46,196		
Underwriting expenses	8,865,592	7,064,334	4,763,601	4,130,991
<b>Net underwriting expenses</b>	<b>21,120,305</b>	<b>18,767,105</b>	<b>8,356,465</b>	<b>8,788,557</b>
<b>Underwriting profit</b>	<b>8,373,721</b>	<b>4,448,497</b>	<b>3,687,902</b>	<b>1,568,510</b>
(Loss)/profit on investment contracts	(797,491)	397,679		
Investment income	2,341,566	1,459,031	1,095,046	702,593
Net fair value loss on assets at FVTPL	(83,651)	(5,596,216)	(43,288)	(1,463,467)
Other income	98,646	297,396	35,136	37,201
Impairment (loss)/reversal on financial assets	(505,529)	222,350	(223,442)	(9,109)
Employee benefit expenses	(2,267,547)	(2,036,556)	(1,123,969)	(1,034,847)
Management expenses	(4,053,501)	(4,139,937)	(1,841,094)	(1,935,072)
Net foreign exchange gains/(losses)	380,553	(594,840)	148,304	(580,822)
<b>Operating profit/(loss)</b>	<b>3,488,757</b>	<b>(5,543,696)</b>	<b>1,714,601</b>	<b>(2,695,013)</b>
Finance costs	(177,387)	(142,081)	(20,269)	(110,612)
Finance income	512,100	95,711		
<b>Profit/(loss) before income tax</b>	<b>3,821,470</b>	<b>(5,590,066)</b>	<b>1,694,332</b>	<b>(2,805,625)</b>
Income tax (expense)/credit	(880,122)	165,356	(501,903)	358,139
<b>Profit/(loss) for the year</b>	<b>3,141,348</b>	<b>(5,424,710)</b>	<b>1,192,399</b>	<b>(2,447,486)</b>
<b>Profit/(loss) attributable to:</b>				
Owners of the parent	3,010,025	(5,575,372)	1,192,399	(2,447,486)
Non-controlling interests	131,323	150,662		
	<b>3,141,348</b>	<b>(5,424,710)</b>	<b>1,192,399</b>	<b>(2,447,486)</b>
<b>Earnings/(loss) per share:</b>				
Earnings/(loss) per share for Profit/(loss) attributable to equity holders of parent				
Basic and diluted (kobo)	15	(36)	6	(16)
<b>Profit/(loss) for the year</b>	<b>3,141,348</b>	<b>(5,424,710)</b>	<b>1,192,399</b>	<b>(2,447,486)</b>
<b>Other comprehensive income (net of tax):</b>				
<b>Items that may be reclassified to the profit or loss account in subsequent periods:</b>				
Exchange differences on translation of foreign operations	(70,526)	371,911		
	(70,526)	371,911		
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</b>				
Net revaluation (losses)/gains on equity instrument at FVOCI	(41,938)	319,208	3,317	19,013
Revaluation gain on land and building (net of tax)	16,297		16,298	
Effect of tax at 30%	(25,642)	319,208	19,515	19,013
<b>Total other comprehensive income for the year, net of tax</b>	<b>(96,170)</b>	<b>691,119</b>	<b>19,515</b>	<b>19,013</b>
<b>Total comprehensive income/(loss) for the year, net of tax</b>	<b>3,045,178</b>	<b>(4,733,591)</b>	<b>1,212,014</b>	<b>(2,428,473)</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	2,967,105	(4,866,661)	1,212,014	(2,428,473)
Non-controlling interests	78,073	133,090		
	<b>3,045,178</b>	<b>(4,733,591)</b>	<b>1,212,014</b>	<b>(2,428,473)</b>

### 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 2022, and the consolidated and separate 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 2022.

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 Standard 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.

###### 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 May 2023. That report also includes the communication of key audit matters which discussed the adequacy of the valuation of insurance contract liabilities (outstanding claims).

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#### 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 misstatement 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

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:

- 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 the consolidated and separate statements of other comprehensive income are in agreement with the books of account; and
- in our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of 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.

#### Contravention and Penalty

The Company incurred penalty in respect of contraventions of the requirement of Rule 1.1.5 of the Nigerian Stock Exchange (NSE) during the financial year. The details of the contravention and penalty are disclosed in Note 56 of the financial statements.

Oluwasayo Elumaro, FCA  
FRC/2012/ICAN/0000000139  
For: Ernst & Young  
Lagos, Nigeria  
Date: 23 May 2023

