



# MUTUAL BENEFITS ASSURANCE PLC

**UNAUDITED INTERIM FINANCIAL  
STATEMENTS  
AS AT  
31 MARCH, 2021**

MUTUAL BENEFITS ASSURANCE PLC  
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
<b>Gross premium written</b>	1.1	8,112,065	5,576,597	4,344,016	2,488,682
Gross premium income	1	7,041,805	5,115,794	4,174,179	2,382,255
Premium ceded to reinsurers	1.2	(1,589,465)	(827,092)	(1,099,187)	(467,871)
<b>Net premium income</b>	1.3	<b>5,452,340</b>	<b>4,288,702</b>	<b>3,074,992</b>	<b>1,914,384</b>
Fee and commission income	2	384,647	268,417	280,693	181,171
<b>Net underwriting income</b>		<b>5,836,987</b>	<b>4,557,119</b>	<b>3,355,685</b>	<b>2,095,555</b>
Net benefits and claims	3	1,350,325	791,856	1,192,453	160,163
Increase in life fund		-	-	-	-
Decrease in annuity reserve		(10,942)	(10,582)	-	-
Underwriting expenses	4	1,330,231	1,218,642	563,184	542,785
<b>Net underwriting expenses</b>		<b>2,669,614</b>	<b>1,999,916</b>	<b>1,755,637</b>	<b>702,948</b>
<b>Underwriting profit</b>		<b>3,167,373</b>	<b>2,557,203</b>	<b>1,600,048</b>	<b>1,392,607</b>
Profit/(loss) on investment contracts	5	497,622	763,478	-	-
Investment income	6	270,071	527,428	184,060	225,096
Net fair value loss on assets at FVTPL	7	(4,718,390)	(449,782)	(1,231,662)	(42,368)
Other income	8	31,348	10,305	28,877	7,837
Impairment charges	9	-	(489)	-	-
Employee benefit expenses	10	(400,433)	(507,800)	(218,016)	(290,666)
Other management expenses	11	(796,141)	(750,324)	(485,060)	(433,841)
Net foreign exchange differences	11.1	112,746	(1,087,860)	112,746	(1,087,860)
<b>Result of operating activities</b>		<b>(1,835,804)</b>	<b>1,062,159</b>	<b>(9,007)</b>	<b>(229,195)</b>
Finance costs	12	(39,386)	(4,737)	(39,220)	-
Finance incomes	13	3,685	5,414	-	-
<b>Profit before income tax</b>		<b>(1,871,505)</b>	<b>1,062,836</b>	<b>(48,227)</b>	<b>(229,195)</b>
Income tax expense	14	(103,491)	(131,038)	(21,720)	(28,047)
<b>Profit after tax</b>		<b>(1,974,996)</b>	<b>931,798</b>	<b>(69,947)</b>	<b>(257,242)</b>
<b>Profit attributable to:</b>					
Owners of the parent		(2,077,962)	913,172	(69,947)	(257,242)
Non-controlling interests	-	102,966	18,626	-	-
		<b>(1,974,996)</b>	<b>931,798</b>	<b>(69,947)</b>	<b>(257,242)</b>
<b>Earnings per share:</b>					
Basic and diluted (kobo)	15	(19)	9	(1)	(3)

**MUTUAL BENEFITS ASSURANCE PLC  
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31ST MARCH 2021**

**MUTUAL BENEFITS ASSURANCE PLC**  
**CONSOLIDATED AND SEPARATE STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

	GROUP		COMPANY	
	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>				
		Notes		
Profit for the year	(1,974,996)	931,798	(69,947)	(257,242)
<b>Other comprehensive income (net of tax):</b>				
<b>Items that may be reclassified to the profit or loss account in subsequent periods:</b>				
Foreign currency translation differences	20,068	12,548	-	-
	20,068	12,548	-	-
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</b>				
Net Revaluation gains on Equity Instruments at FVOCI	-	-	-	-
	-	-	-	-
<b>Total other comprehensive income for the year, net of tax</b>	<b>20,068</b>	<b>12,548</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>(1,954,928)</b>	<b>944,346</b>	<b>(69,947)</b>	<b>(257,242)</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	(1,976,523)	925,720	(69,947)	(257,242)
Non-controlling interest	21,594	18,626	-	-
	<b>(1,954,928)</b>	<b>944,346</b>	<b>(69,947)</b>	<b>(257,242)</b>

**MUTUAL BENEFITS ASSURANCE PLC**  
**CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST MARCH 2021**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
<b>ASSETS</b>					
Cash and cash equivalents	16	14,636,963	11,420,144	6,798,999	4,761,993
<b>Financial assets</b>					
Equity instruments at fair value through OCI	17.1	140,641	140,641	60,008	60,008
Financial assets at fair value through profit or loss	17.2	16,845,894	21,899,279	4,510,917	5,879,688
Loans and receivables	17.3	13,311,738	12,849,870	256,361	250,916
Financial Assets at amortised cost	17.4	17,964,306	18,824,128	6,710,672	7,625,685
Financial assets held for trading pledged as collateral	18	150,489	140,648	150,489	140,648
Trade receivables	19	544,978	348,617	289,623	182,138
Reinsurance assets	20	3,523,425	4,311,840	1,643,615	1,885,227
Other receivables and prepayments	21	825,786	865,217	388,860	267,111
Deferred acquisition costs	22	897,677	587,978	684,171	432,422
Finance lease receivables	23	1,648	657	1,648	657
Inventories	24	169,799	169,799	-	-
Investment properties	25	6,721,000	6,721,000	56,000	56,000
Investments in subsidiaries	26	-	-	6,120,000	6,120,000
Intangible assets	27	43,362	46,853	10,323	12,706
Property, plants and equipment	28	3,383,558	3,423,421	2,230,501	2,219,816
Statutory deposit	29	500,000	500,000	300,000	300,000
Deposit for shares	30	7,238	7,238	29,238	29,238
Deferred tax assets	38	612,077	612,077	91,556	91,556
<b>Total assets</b>		<b>80,280,579</b>	<b>82,869,407</b>	<b>30,332,981</b>	<b>30,315,809</b>
<b>LIABILITIES</b>					
Insurance contract liabilities	31	17,114,278	17,572,283	7,352,908	7,428,602
Investment contract liabilities	32	28,189,729	28,447,267	-	-
Trade payables	33	2,733,924	2,127,006	711,217	756,603
Other liabilities	34	3,188,829	3,409,284	2,105,235	1,954,097
Deposit liabilities	35	290,807	301,618	-	-
Borrowings	36	3,925,474	3,890,130	3,925,474	3,890,130
Current income tax liabilities	37	991,798	904,704	638,707	616,987
Deferred tax liabilities	38	1,112,132	1,528,578	659,567	659,568
<b>Total liabilities</b>		<b>57,546,971</b>	<b>58,180,870</b>	<b>15,393,108</b>	<b>15,305,987</b>
<b>EQUITY</b>					
Share Capital	39.2	5,586,367	5,586,367	5,586,367	5,586,367
Treasury shares	40	(250)	(250)	(250)	(250)
Deposit for shares	41	4,800,000	4,800,000	4,800,000	4,800,000
Foreign currency translation reserve	42	1,263,041	1,161,602	-	-
Contingency reserve	43	4,302,402	4,172,059	3,248,361	3,118,041
Fair Value Reserve		(878,937)	(878,937)	(133,900)	(133,900)
Revaluation reserve	44	1,520,131	1,520,131	1,339,395	1,339,395
Retained earnings/(Accumulated losses)	45	4,785,481	6,993,787	99,900	300,169
<b>Shareholders' fund</b>		<b>21,378,236</b>	<b>23,354,759</b>	<b>14,939,873</b>	<b>15,009,822</b>
<b>Total equity attributable to the:</b>					
Owners of the parent		21,378,236	23,354,759	14,939,873	15,009,822
Non-controlling interests in equity	46	1,355,372	1,333,778	-	-
<b>Total equity</b>		<b>22,733,608</b>	<b>24,688,537</b>	<b>14,939,873</b>	<b>15,009,822</b>
<b>Total liabilities and equity</b>		<b>80,280,579</b>	<b>82,869,407</b>	<b>30,332,981</b>	<b>30,315,809</b>

These financial statements were approved by the Board on the 2nd of June, 2021 and signed on its behalf by:



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



**Mr Olufemi Asenuga**  
FRC/2013/CIIN/00000003104  
Acting Managing Director/CEO

**MUTUAL BENEFITS ASSURANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

**Company**

For the year ended 31 December 2020

in thousands of Nigerian Naira

Note	Share capital	Treasury shares	Deposit for shares	Contingency reserve	Revaluation reserve	Fair Value Reserve	Accumulated loss	Total
<b>As at 1 January 2019</b>	5,586,367	(250)	-	2,745,470	1,339,395	(136,066)	(1,279,313)	<b>8,255,603</b>
<b>Total comprehensive income for the year:</b>								
Profit for the year	-	-	-	-	-	-	1,862,856	1,862,856
Other comprehensive income	-	-	-	-	-	2,166	-	2,166
<b>Total comprehensive income for the year</b>	-	-	-	-	-	2,166	1,862,856	1,865,022
<b>Transactions with owners of equity:</b>								
Deposit for shares	-	-	4,800,000	-	-	-	-	4,800,000
Unclaimed dividends	-	-	-	-	-	-	89,197	89,197
Transfer to contingency reserve	-	-	-	372,571	-	-	(372,571)	-
<b>Total transactions with owners of equity</b>	-	-	4,800,000	372,571	-	-	(283,374)	4,889,197
<b>DECEMBER 2020 ACTUAL YTD</b>	5,586,367	(250)	4,800,000	3,118,041	1,339,395	(133,900)	300,169	15,009,822
<b>As at 1 January 2021</b>	<b>5,586,367</b>	<b>(250)</b>	<b>4,800,000</b>	<b>3,118,041</b>	<b>1,339,395</b>	<b>(133,900)</b>	<b>300,169</b>	<b>15,009,822</b>
<b>Total comprehensive income for the year:</b>								
Profit for the year	-	-	-	-	-	-	(69,949)	(69,949)
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	(69,949)	(69,949)
<b>Transactions with owners of equity:</b>								
Deposit for shares	-	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	130,320	-	-	(130,320)	-
Unclaimed dividends	-	-	-	-	-	-	-	-
<b>Total transactions with owners of equity</b>	-	-	-	130,320	-	-	(130,320)	-
<b>MARCH 2021 ACTUAL YTD</b>	<b>5,586,367</b>	<b>(250)</b>	<b>4,800,000</b>	<b>3,248,361</b>	<b>1,339,395</b>	<b>(133,900)</b>	<b>99,900</b>	<b>14,939,873</b>

MUTUAL BENEFITS ASSURANCE PLC  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH 2021

Group	Attributable to equityholders of the Company											
	Share capital	Treasury shares	Deposit for shares	Foreign currency translation reserve	Contingency reserve	Fair value Reserve	Revaluation reserve	Retained Earnings/ (Accumulated losses)	Total	Non - controlling interests	Total equity	
<i>For the year ended 31 December 2020</i>												
<i>in thousands of Nigerian Naira</i>	Note											
<b>As at 1 January 2020</b>		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
<b>Total comprehensive income for the year:</b>												
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
<b>Total comprehensive income for the year, net of tax</b>		-	-	-	222,781	-	(205,326)	-	5,131,816	5,149,272	232,931	5,382,202
<b>Transactions with owners of equity:</b>												
Deposit for shares		-	-	4,800,000	-	-	-	-	-	4,800,000	-	4,800,000
Share issue expenses		-	-	-	-	-	-	-	(116,558)	(116,558)	-	(116,558)
Transfer to contingency reserve		-	-	-	-	709,566	-	-	(709,566)	-	-	-
Unclaimed dividends		-	-	-	-	-	-	-	89,197	89,197	-	89,197
<b>Total transactions with owners of equity</b>		-	-	4,800,000	-	709,566	-	-	(736,927)	4,772,639	-	4,772,639
<b>DECEMBER 2020 ACTUAL YTD</b>		<b>5,586,367</b>	<b>(250)</b>	<b>4,800,000</b>	<b>1,161,602</b>	<b>4,172,059</b>	<b>(878,937)</b>	<b>1,520,131</b>	<b>6,993,787</b>	<b>23,354,759</b>	<b>1,333,778</b>	<b>24,688,537</b>

MUTUAL BENEFITS ASSURANCE PLC  
 STATEMENT OF CHANGES IN EQUITY  
 FOR THE YEAR ENDED 31ST MARCH 2021

<b>As at 1 January 2021</b>	<b>5,586,367</b>	<b>(250)</b>	<b>4,800,000</b>	<b>1,161,602</b>	<b>4,172,059</b>	<b>(878,937)</b>	<b>1,520,131</b>	<b>6,993,787</b>	<b>23,354,759</b>	<b>1,333,778</b>	<b>24,688,537</b>
<b>Total comprehensive income for the year:</b>											
Profit for the year	-	-	-	-	-	-	-	(2,077,962)	(2,077,962)	102,966	(1,974,996)
Other comprehensive income	-	-	-	101,439	-	-	(0)	-	101,439	(81,371)	20,068
<b>Total comprehensive income for the year, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101,439</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(2,077,962)</b>	<b>(1,976,523)</b>	<b>21,594</b>	<b>(1,954,928)</b>
<b>Transactions with owners of equity:</b>											
Deposit for shares	-	-	-	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-
Transfer to contingency reserve	-	-	-	-	130,343	-	-	(130,343)	-	-	-
Unclaimed dividends	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners of equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>130,343</b>	<b>-</b>	<b>-</b>	<b>(130,343)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>MARCH 2021 ACTUAL YTD</b>	<b>5,586,367</b>	<b>(250)</b>	<b>4,800,000</b>	<b>1,263,041</b>	<b>4,302,402</b>	<b>(878,937)</b>	<b>1,520,131</b>	<b>4,785,482</b>	<b>21,378,236</b>	<b>1,355,372</b>	<b>22,733,608</b>



**MUTUAL BENEFITS ASSURANCE PLC**  
**CONSOLIDATED AND SEPARATE STATEMENTS OF CASHFLOWS**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
<b>Cash flows from operating activities</b>					
Cash received from insurance contract policy holders		7,915,704	5,505,266	4,236,531	2,398,094
Cash received from investment contract policy holders	32	3,623,111	3,368,076	-	-
Cash withdrawal by investment contract policy holders	32	(4,478,799)	(3,667,559)	-	-
Commission received	2	384,647	268,417	280,693	181,171
Reinsurance cost	20.2	(1,589,465)	(1,007,231)	(1,099,187)	(648,010)
Claims paid	3	(2,368,986)	(1,761,542)	(1,362,109)	(1,089,989)
Claims recovered from reinsurers	3	339,790	425,124	126,945	91,246
Commission paid	22.1	(1,027,995)	(716,539)	(647,005)	(360,223)
Payments to employees	10	(400,433)	(507,800)	(218,016)	(290,666)
Other cash received		35,033	15,719	28,877	7,837
Cash paid to brokers, suppliers and other providers of services		(1,005,060)	(834,807)	(651,570)	(376,187)
Income tax paid		(16,397)	(44,054)	-	(42,297)
<b>Net cash flows from operating activities</b>		<b>1,411,150</b>	<b>1,043,070</b>	<b>695,159</b>	<b>(129,024)</b>
<b>Investing activities:</b>					
Purchase of intangible assets	27	(3,294)	(4,725)	(49)	-
Purchase of properties, plants and equipments	28	(198,812)	(33,956)	(64,899)	(2,349)
Proceeds from sale of properties, plant and equipment		10,151	150	-	-
Proceeds from sale of investment properties		-	-	-	-
Investment income		181,101	527,428	150,278	225,096
Receipts on loans and advances		-	-	-	-
Receipts on finance lease receivables		-	1,185	-	1,185
Purchase of financial instruments at fair value through profit or loss		-	(255,395)	-	(70,148)
Proceed from sale of financial instruments at fair value through profit or loss		758,859	-	198,855	-
Purchase of debt instruments at amortised cost		(35,468)	(507,455)	(35,468)	(104,746)
Redemption of debt instruments at amortised cost		984,260	-	984,260	-
<b>Net cash flows used in investing activities</b>		<b>1,696,797</b>	<b>(272,768)</b>	<b>1,232,977</b>	<b>49,038</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>3,107,948</b>	<b>770,302</b>	<b>1,928,136</b>	<b>(79,986)</b>
Effects of exchange rate changes on cash and cash equivalents		108,870	43,665	108,870	43,665
Cash and cash equivalents as 1 January		11,420,144	6,821,006	4,761,993	2,146,927
<b>Cash and cash equivalents as at period end</b>	16.1	<b>14,636,962</b>	<b>7,634,973</b>	<b>6,798,999</b>	<b>2,110,606</b>

MUTUAL BENEFITS ASSURANCE PLC  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<b>1 Gross premium income</b>					
<i>in thousands of Nigerian Naira</i>					
<b>1.1 Gross premium written</b>					
Non-life		5,000,162	3,106,607	4,344,016	2,488,682
Life (Group life and individual life)		3,111,903	2,469,990	-	-
Annuity		-	-	-	-
	31.2	8,112,065	5,576,597	4,344,016	2,488,682
<b>Changes in unearned premium</b>					
Non-life		(265,530)	(198,517)	(169,837)	(106,427)
Life (Group life and individual life)		(804,730)	(262,286)	-	-
Annuity		-	-	-	-
	31.2	(1,070,260)	(460,803)	(169,837)	(106,427)
<b>Gross premium income</b>		<b>7,041,805</b>	<b>5,115,794</b>	<b>4,174,179</b>	<b>2,382,255</b>
<b>1.2 Premiums ceded to reinsurers</b>					
Outward premium - Non life		1,099,187	648,010	1,099,187	648,010
Outward premium - life		490,278	359,221	-	-
Changes in prepaid re-insurance		-	(180,139)	-	(180,139)
		<b>1,589,465</b>	<b>827,092</b>	<b>1,099,187</b>	<b>467,871</b>
<b>1.3 Net premium income</b>		<b>5,452,340</b>	<b>4,288,702</b>	<b>3,074,992</b>	<b>1,914,384</b>
<b>2 Fee and commission income</b>					
Commission received from reinsurance		384,667	333,903	280,713	246,657
Commission received from co insurance		(20)	(65,486)	(20)	(65,486)
		<b>384,647</b>	<b>268,417</b>	<b>280,693</b>	<b>181,171</b>
<b>3 Net benefits and claims</b>					
Claims paid	31.1	2,368,986	1,761,542	1,362,109	1,089,989
Change in outstanding claims		(881,692)	(24,708)	(245,532)	(318,726)
Claims recoveries		(339,790)	(185,124)	(126,945)	28,754
Change in outstanding claims - Reinsurers	20.1	202,821	(759,854)	202,821	(639,854)
		<b>1,350,325</b>	<b>791,856</b>	<b>1,192,453</b>	<b>160,163</b>
<b>4 Underwriting expenses</b>					
Amortisation of deferred acquisition costs	22.1	718,296	633,594	395,256	319,709
Maintenance costs	4.1	611,935	585,048	167,928	223,076
		<b>1,330,231</b>	<b>1,218,642</b>	<b>563,184</b>	<b>542,785</b>

MUTUAL BENEFITS ASSURANCE PLC  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2021

4.1 Maintenance costs

	GROUP		COMPANY	
	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>				
	Notes			
Agency expenses on vehicle insurance business	47,674	42,625	47,674	42,625
Tracking expenses on insured vehicles	17,195	7,960	17,195	7,960
Agency expenses on travel insurance business	8,535	30,256	8,535	30,256
Administrative charges-Group Life	10,014	3,793	-	-
Agency allowance	84,309	53,626	28,500	10,249
Agency training	97	1,679	-	-
Superintending and surveyors fees	57,940	130,502	57,940	130,502
Actuary valuation report fee	3,100	1,000	-	-
Stamp duty expenses	3,776	2,719	-	-
Training and forum for marketers	61,915	166,871	-	-
Agency unit manager allowance	61,755	38,582	-	-
Marketing expenses	255,625	105,260	8,084	1,309
	<b>611,935</b>	<b>585,048</b>	<b>167,928</b>	<b>223,076</b>

5 Profit/(loss) on investment contracts

Interest income	1,276,047	1,407,967	-	-
Rental income on Alpha court	17,725	23,791	-	-
Surrender fee	110,569	99,670	-	-
Guaranteed interest	(598,150)	(472,082)	-	-
Acquisition cost on investment policies	(307,989)	(292,301)	-	-
Rental expenses	(580)	(3,567)	-	-
Investment related expenses	-	-	-	-
	<b>497,622</b>	<b>763,478</b>	<b>-</b>	<b>-</b>

6 Investment income

Dividend income	759	4,483	759	704
Interest income on fixed term deposit	29,333	39,794	3,487	9,878
Interest income on statutory deposit	16,309	36,524	9,785	21,914
Interest income on lease	6,313	10,328	6,313	10,328
Interest from current accounts with banks	2,266	1,982	4	1,908
Interest Income from Staff Mortgage Loan	2,069	2,304	2,069	2,304
Interest income from treasury bills/bonds	213,021	430,451	161,643	176,497
Rental income	-	1,562	-	1,563
	<b>270,071</b>	<b>527,428</b>	<b>184,060</b>	<b>225,096</b>

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7 **Net fair value loss on assets at FVTPL**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Fair value (loss)/gain on financial assets through profit or loss		(4,728,231)	(449,782)	(1,241,503)	(42,368)
Fair value (loss)/gain on financial assets for trading pledged as collateral		9,841	-	9,841	-
		<b>(4,718,390)</b>	<b>(449,782)</b>	<b>(1,231,662)</b>	<b>(42,368)</b>

8 **Other income**

		-	-	-	-
Profit on sale of property and equipment		700	158	200	150
Micro finance fees and commission		1,916	535	-	-
Commission on turnover		5	364	-	-
Insurance claim received		3,355	-	3,355	-
Management fee on licencing business		25,322	7,687	25,322	7,687
Foreign exchange gain		50	1,561	-	-
		<b>31,348</b>	<b>10,305</b>	<b>28,877</b>	<b>7,837</b>

9 **Impairment charges**

Loans and advances		-	489	-	-
		-	<b>489</b>	-	-

10 **Employee benefit expenses**

Wages and salaries		382,356	419,674	206,263	210,296
Defined contribution pension costs		18,077	88,126	11,753	80,370
		<b>400,433</b>	<b>507,800</b>	<b>218,016</b>	<b>290,666</b>

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), 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.

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11 Other management expenses

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Depreciation of property, plants and equipments	28	165,665	68,945	54,214	27,618
Amortisation of intangible assets	27	4,619	4,607	2,432	2,385
Auditors' remunerations		10,165	9,875	4,500	4,500
Legal and consultancy fees		38,077	73,186	23,364	61,406
Directors fee and allowance		87,816	95,457	85,201	43,302
Medical expenses		18,915	24,819	13,666	15,879
Donations		7,410	619	1,076	75
Subscriptions		13,739	20,600	12,052	15,945
Rents and Rates		17,656	25,448	2,784	4,083
Repairs and maintainance		57,251	85,545	54,874	64,747
Utilities		14,577	11,777	10,865	9,826
Transport and travelling		12,109	-	9,545	9,125
Public relations and advertising		92,429	96,407	84,221	90,687
Motor vehicle running expenses		23,870	16,037	16,557	10,809
Business acquisition costs		12,222	21,760	6,107	13,926
Training and recruitment		6,953	12,237	6,193	10,834
Insurance		11,537	5,775	10,398	3,434
Bank charges		19,270	18,917	10,293	3,948
Insurance supervisory fee		100,085	71,982	20,917	14,323
Conference and seminar expenses		42,086	-	42,086	-
Newspapers and periodicals		99	92	40	25
Printing and stationery		15,567	30,249	4,114	7,699
Telecommunication expenses		16,371	18,027	6,408	7,167
Security expenses		6,105	5,956	3,153	3,170
Other expenses		1,298	22,818	-	29,428
Bad debt written off		-	9,189	-	-
		<b>796,141</b>	<b>750,324</b>	<b>485,060</b>	<b>433,841</b>

11.1 Net foreign exchange loss/(gain)

	Notes	GROUP			
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Exchange loss/(gain) on foreign currency denominated bank balances		(108,870)	(124,665)	(108,870)	(124,665)
Exchange loss/(gain) on foreign loan		(3,876)	1,212,525	(3,876)	1,212,525
		<b>(112,746)</b>	<b>1,087,860</b>	<b>(112,746)</b>	<b>1,087,860</b>

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12 Finance costs

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Interest charge on deposits		144	4,588	-	-
Interest charge on loan		39,220	-	39,220	-
Other charges		22	149	-	-
		<b>39,386</b>	<b>4,737</b>	<b>39,220</b>	-

13 Finance income

Interest income on Micro loans		-	-	-	-
Interest on Eazy cash product		1,117	2,774	-	-
Interest income on overdraft		34	25	-	-
Interest income on treasury bills		2,058	1,078	-	-
Income from funds placement		476	1,537	-	-
		<b>3,685</b>	<b>5,414</b>	-	-

14 Income tax expense

14.1 Current income tax charge

Current income tax	80,210	118,277	21,720	19,218
Education tax	23,281	12,761	-	8,829
Information technology tax	-	-	-	-
Minimum tax	-	-	-	-
	<b>103,491</b>	<b>131,038</b>	<b>21,720</b>	<b>28,047</b>

14.2 Deferred tax

Net deferred tax	-	-	-	-
	-	-	-	-
<b>Total Income tax expenses</b>	<b>103,491</b>	<b>131,038</b>	<b>21,720</b>	<b>28,047</b>

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15 Earnings per share

15.1 Earnings per share - Basic

Basic earnings per share is calculated by dividing the profit attributable to 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.

in thousands of Nigerian Naira	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	MARCH 2020 ACTUAL YTD
Profit attributable to equity holders		(2,077,962)	913,172	(69,947)	(257,242)
Weighted average number of ordinary shares for basic earnings per share	15.2	11,172,234	10,103,066	11,172,234	10,103,066
Basic earnings per ordinary share (kobo)		(19)	9	(1)	(3)

*Weighted average number of ordinary*

15.2 *shares - basic*

Issued ordinary shares at 1 January	11,172,734	8,000,000	11,172,734	8,000,000
Effect of treasury shares held	(500)	(500)	(500)	(500)
Issued during the year	-	2,103,566	-	2,103,566
	11,172,234	10,103,066	11,172,234	10,103,066

15.3 Earnings per share - Diluted

The calculation of diluted earnings per share has been based on the profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

The company has no potential dilutive ordinary shares during the year (2020: Nil). Hence, the weighted average number of ordinary shares for basic and dilutive is the same so also the Dilutive and Basic earnings per share.

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16 **Cash and cash equivalents**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Cash in banks and on hand		8,775,080	7,726,028	4,038,938	3,777,050
Short-term deposits	16.1	5,861,883	3,694,116	2,760,062	984,943
		<b>14,636,963</b>	<b>11,420,144</b>	<b>6,799,000</b>	<b>4,761,993</b>

16.1 **Short-term deposits**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group.

17 **Financial assets**

The Group's financial assets are summarized below by measurement category:

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Equity instruments at fair value through OCI	17.1	140,641	140,641	60,008	60,008
Financial Assets at fair value through profit or loss	17.2	16,845,894	21,899,279	4,510,917	5,879,688
Loans and receivables	17.3	13,311,738	12,849,870	256,361	250,916
Financial assets at amortised cost	17.4	17,964,306	18,824,128	6,710,672	7,625,685
		<b>48,262,579</b>	<b>53,713,918</b>	<b>11,537,958</b>	<b>13,816,297</b>

17.1 **Equity instruments at fair value through OCI**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Unquoted investments	17.1.1	140,641	345,967	60,008	54,211
Fair value gain/(loss)		-	(205,326)	-	5,797
		<b>140,641</b>	<b>140,641</b>	<b>60,008</b>	<b>60,008</b>



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17.1.1 **Analysis of unquoted investments**

ICHL Limited	18,121	18,121	-	-
Leasing Company of Liberia	41,516	41,516	-	-
WAICA Reinsurance Corporation Plc	60,008	60,008	60,008	60,008
Avanage Limited	20,996	20,996	-	-
	<b>140,641</b>	<b>140,641</b>	<b>60,008</b>	<b>60,008</b>

17.2 **Financial Assets at fair value through profit or loss**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Federal Government of Nigeria Bonds		16,763,593	21,807,991	4,428,616	5,788,400
Quoted Shares		82,301	91,288	82,301	91,288
		<b>16,845,894</b>	<b>21,899,279</b>	<b>4,510,917</b>	<b>5,879,688</b>

17.2.1 **Movement in financial assets at fair value through profit or loss**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
At 1 January		21,899,279	7,669,217	5,879,688	3,377,844
Purchase during the year		-	10,390,917	-	1,266,829
Accrued interest income		433,705	493,620	71,587	124,833
Redemption or disposal		(758,859)	-	(198,855)	-
Fair value (loss)/gain		(4,728,231)	3,345,525	(1,241,503)	1,110,182
At 31 December		<b>16,845,894</b>	<b>21,899,279</b>	<b>4,510,917</b>	<b>5,879,688</b>

17.3 **Loans and receivables**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Term loans	17.3.1	13,863,108	13,416,794	165,444	167,731
Staff loans		280,346	264,792	92,244	84,512
		14,143,454	13,681,586	257,688	252,243
Expected credit losses		(831,716)	(831,716)	(1,327)	(1,327)
		<b>13,311,738</b>	<b>12,849,870</b>	<b>256,361</b>	<b>250,916</b>

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17.3.1 Term loans

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Loan to Prime Exploration and Production Limited		12,526,399	12,073,638	-	-
Staff mortgage loan		165,443	167,730	165,444	167,731
Others		1,171,285	1,175,426	-	-
<b>Gross loans and advances</b>		<b>13,863,107</b>	<b>13,416,794</b>	<b>165,444</b>	<b>167,731</b>

17.4 Financial assets at amortised cost

	Notes	COMPANY			
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
<i>in thousands of Nigerian Naira</i>					
Federal Government of Nigeria Treasury Bills		17,964,306	18,824,128	6,710,672	7,625,685

17.4.1 The movement in financial assets at amortised cost

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Balance, beginning of the year		18,824,128	23,377,552	7,625,685	5,257,169
Additions during the year		35,468	19,139,067	35,468	8,000,249
Accrued interest income		88,970	105,943	33,779	43,270
Redemption at maturity		(984,260)	(23,798,734)	(984,260)	(5,674,151)
Impairment (charge)/write back		-	300	-	(852)
<b>Balance, end of year</b>		<b>17,964,306</b>	<b>18,824,128</b>	<b>6,710,672</b>	<b>7,625,685</b>

18 Financial assets held for trading pledged as collateral

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
<i>in thousands of Nigerian Naira</i>					
Quoted shares		150,489	140,648	150,489	140,648

19 Trade receivables

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
<i>in thousands of Nigerian Naira</i>					
Trade receivables		544,978	348,618	289,623	182,138

Trade receivables are not interest bearing and are generally on terms of 30 to 90 days.

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20 Reinsurance assets

		COMPANY			
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>		<i>Notes</i>			
Reinsurance share of outstanding claims	20.1	1,190,737	1,393,558	1,137,502	1,340,324
Reinsurance receivable		39,124	641,561	35,831	74,621
Co-assurance claims receivable		1,771,420	1,754,577	3,210	3,210
Prepaid reinsurance	20.2	522,144	522,144	467,072	467,072
		<b>3,523,425</b>	<b>4,311,840</b>	<b>1,643,615</b>	<b>1,885,227</b>

20.1 The movement in reinsurers' share of claims reported and loss adjustment expenses is as follows:

		GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>		<i>Notes</i>			
Opening balance		1,393,558	509,455	1,340,324	476,984
Changes in reinsurance share of outstanding claims	3	(202,821)	884,103	(202,821)	863,340
		<b>1,190,737</b>	<b>1,393,558</b>	<b>1,137,502</b>	<b>1,340,324</b>
20.2 The movement in prepaid reinsurance					
Balance, beginning of the year		522,144	587,760	467,072	515,832
Additions during the year		1,589,465	3,283,725	1,099,187	2,213,249
Recognised in profit or loss	1.2	(1,589,465)	(3,349,341)	(1,099,187)	(2,262,009)
		<b>522,144</b>	<b>522,144</b>	<b>467,072</b>	<b>467,072</b>

21 Other receivables and prepayments

		GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>		<i>Notes</i>			
Prepayments		241,353	92,034	41,941	34,614
WHT recoverable		142,167	155,327	26,906	41,337
ATM Receivables		816	640	-	-
Other Bank debtors		5,245	6,104	-	-
Advance commission		10,249	9,750	-	-
Directors current account		31,079	40,529	31,080	40,529
VAT input recoverable on investment property		176,500	176,500	-	-
Other bank balances	21.1	63,601	63,601	63,601	63,601
Investment receivables	21.2	16,757	16,757	16,757	16,757
Sundries receivables	21.3	844,705	877,954	290,455	152,153
		<b>1,399,765</b>	<b>1,439,196</b>	<b>470,740</b>	<b>348,991</b>
Allowance for impairment charges		(573,979)	(573,979)	(81,880)	(81,880)
		<b>825,786</b>	<b>865,217</b>	<b>388,860</b>	<b>267,111</b>

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21.1 *Other bank balances*

Balance held in Polaris Bank	2,533	2,533	2,533	2,533
Balance held in GTB ( Premium call)	18,068	18,068	18,068	18,068
Balance held in Unity Bank Plc	-	-	-	-
Balance held in Guaranty Trust	42,988	42,988	42,988	42,988
Balance held in Sterling Bank	-	-	-	-
Balance held in GTB( current account)	11	11	11	11
<b>Other bank balances</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
	<b>63,601</b>	<b>63,601</b>	<b>63,601</b>	<b>63,601</b>

21.2 *Investment receivables*

Placement with Profound Securities	16,757	16,757	16,757	16,757
Others	-	-	-	-
	<b>16,757</b>	<b>16,757</b>	<b>16,757</b>	<b>16,757</b>

21.3 *Sundries receivables*

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Excess interest charges		6,390	6,390	-	-
Property development		12,455	12,455	-	-
Receivables from property buyers		25,127	25,127	-	-
Other receivables		123,293	129,996	68,190	-
Rent receivables		212,267	212,267	-	-
Share Issue Expenses		23,186	-	23,186	-
Investments and Trust Limited		7,129	7,129	-	-
Investment placement with BGL Securities Limited		38,753	38,753	-	-
Others		396,105	445,837	199,079	152,153
		<b>844,705</b>	<b>877,954</b>	<b>290,455</b>	<b>152,153</b>

22 *Deferred acquisition costs*

Deferred acquisition cost - Fire	127,819	78,570	127,819	78,570
Deferred acquisition cost - Gen Accident	205,200	135,865	205,200	135,865
Deferred acquisition cost - Motor	144,855	106,360	144,855	106,360
Deferred acquisition cost - Marine	128,967	96,153	128,967	96,153
Deferred acquisition cost - Oil & Gas & aviation	77,330	15,473	77,330	15,474
Life Business	213,506	155,557	-	-
	<b>897,677</b>	<b>587,978</b>	<b>684,171</b>	<b>432,422</b>

22.1 *The movement in deferred acquisition cost is as follows:*

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Balance, beginning of the year		587,978	526,618	432,422	355,388
Additions during the year		1,027,995	2,710,058	647,005	1,495,589
Amortisation in the year		(718,296)	(2,648,698)	(395,256)	(1,418,555)
<b>Balance, end of year</b>		<b>897,677</b>	<b>587,978</b>	<b>684,171</b>	<b>432,422</b>

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23 **Finance lease receivables**

Net investment in finance lease	294,673	293,682	215,843	214,852
Less:				
Expected credit losses	(293,025)	(293,025)	(214,195)	(214,195)
	<b>1,648</b>	<b>657</b>	<b>1,648</b>	<b>657</b>

24 **Inventories**

Construction in progress	169,799	169,799	-	-
	<b>169,799</b>	<b>169,799</b>	-	-

25 **Investment properties**

	GROUP		COMPANY	
	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>				
Notes				
At the beginning of the year	6,721,000	6,931,000	56,000	56,000
Additions	-	-	-	-
Disposal	-	(140,000)	-	-
Fair value loss	-	(70,000)	-	-
	<b>6,721,000</b>	<b>6,721,000</b>	<b>56,000</b>	<b>56,000</b>

**The items of investment properties are as shown below:**

Mutual Tulip Estate	500,000	500,000	-	-
Property at Ikeja Alausa	350,000	350,000	-	-
Property at Ikota Lekki	56,000	56,000	56,000	56,000
Property at Sango/Ibroko - Mogga	80,000	80,000	-	-
Property at Sango/Ibroko - Caxtonjo	50,000	50,000	-	-
Property at Onireke, Ibadan	410,000	410,000	-	-
Mutual Alpha Court duplex, Costain, Lagos	3,625,000	3,625,000	-	-
Property at Asokoro, Abuja	650,000	650,000	-	-
	200,000	200,000	-	-
Property at Akure Plots (5,500 Square Meters)	700,000	700,000	-	-
Property at Ado Ekiti Land, (100 Hectares)	100,000	100,000	-	-
Property at Ovingbo, Lagos	100,000	100,000	-	-
	<b>6,721,000</b>	<b>6,721,000</b>	<b>56,000</b>	<b>56,000</b>

26 **Investments in subsidiaries**

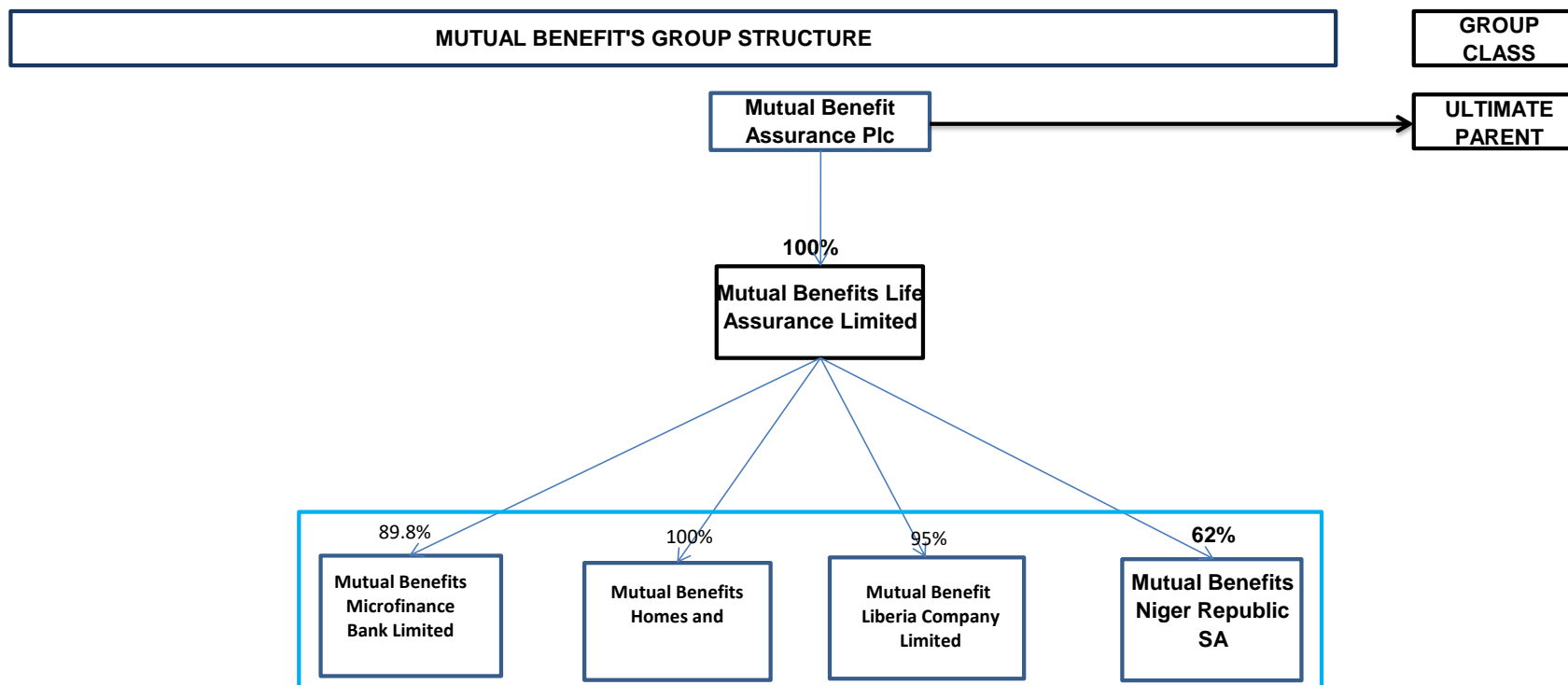
The Company's investment in subsidiaries is as

	Notes	COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
<i>in thousands of Nigerian Naira</i>			
Mutual Benefits Life Assurance Limited		6,000,000	6,000,000
Mutual Benefits Microfinance bank		120,000	120,000
		<b>6,120,000</b>	<b>6,120,000</b>

MUTUAL BENEFITS ASSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

26 Investments in subsidiaries



Company name	Nature of business	Country of origin	Relationship	% of equity controlled	NCI	Status	Year of control
1 Mutual Benefits Life Assurance	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

## MUTUAL BENEFITS ASSURANCE PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

#### 26 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. However as at 30th September 2020, Mutual Benefits Assurance Plc and its Subsidiary- Mutual Benefits Life Assurance Limited increased total shareholding to 90% through the acquisition of additional 120,000,000 units of shares each.

##### **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 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 Niger Republic**

Mutual Benefits Niger S.A commenced operations on 2 January 2014. It is into underwriting of all classes of non-life 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%.

**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

27 **Intangible assets**

<i>in thousands of Nigerian Naira</i>	Note	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<b>Cost:</b>					
Balance at the beginning of the year		423,495	376,614	206,416	206,416
Additions		3,294	11,090	49	
Foreign exchange reserves		26,670	35,791	-	-
		453,459	423,495	206,465	206,416
<b>Amortization:</b>					
Balance at the beginning of the year		376,642	326,526	193,710	182,459
Amortisation charge	11	4,619	13,436	2,432	11,251
Foreign exchange reserves		28,836	36,680	-	-
		410,097	376,642	196,142	193,710
		<b>43,362</b>	<b>46,853</b>	<b>10,323</b>	<b>12,706</b>



MUTUAL BENEFITS ASSURANCE PLC  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued  
FOR THE YEAR ENDED 31ST MARCH 2021

28 Property, plant and equipments (Group)

<i>in thousands of Nigerian Naira</i>	Note	Leasehold properties	Land	Land & Building	Leasehold Improvement	Plant and machinery	Motor vehicles	Furniture fittings and equipment	Trading booth	Organisa - tional cost	Total
<b>Cost:</b>											
As at 1 January 2019		154,126	292,602	2,664,926	1,759,321	330,658	1,449,359	1,672,481	3,799	114,751	8,442,021
Additions		-	-	-	31,190	13,514	31,472	114,371	-	-	190,547
Disposal		-	-	-	-	(12,899)	(37,937)	(15,811)	-	-	(66,646)
Revaluation adjustments		-	-	-	-	-	-	-	-	-	-
Foreign exchange difference		-	121,946	-	8,443	(126,704)	14,630	78,585	-	-	96,900
<b>DECEMBER 2020 ACTUAL YTD</b>		<b>154,126</b>	<b>414,548</b>	<b>2,664,926</b>	<b>1,798,954</b>	<b>204,569</b>	<b>1,457,524</b>	<b>1,849,626</b>	<b>3,799</b>	<b>114,751</b>	<b>8,662,822</b>
Additions		-	-	-	36,056	289	25,202	137,265	-	-	198,812
Reclassification		-	-	-	-	-	-	-	-	-	-
Foreign exchange difference		-	-	-	164,973	803	9,816	36,486	-	-	212,078
Disposal		-	-	-	-	(12,899)	(4,872)	(8,840)	-	-	(26,611)
<b>MARCH 2021 ACTUAL YTD</b>		<b>154,126</b>	<b>-</b>	<b>2,664,926</b>	<b>1,999,982</b>	<b>192,762</b>	<b>1,487,669</b>	<b>2,014,537</b>	<b>3,799</b>	<b>114,751</b>	<b>9,047,100</b>
<b>Accumulated depreciation:</b>											
As at 1 January 2019		154,126	2,179	318,637	1,492,827	273,520	1,155,791	1,500,065	3,799	114,751	5,015,695
Charge for the year		-	-	47,890	85,736	10,704	159,958	54,679	-	-	358,967
Disposal		-	-	-	-	(10,329)	(37,937)	(15,049)	-	-	(63,314)
Reclassification		-	-	-	-	-	-	-	-	-	-
Foreign exchange difference		-	(2,179)	-	16,599	(114,200)	25,377	2,456	-	-	(71,947)
<b>DECEMBER 2020 ACTUAL YTD</b>		<b>154,126</b>	<b>-</b>	<b>366,527</b>	<b>1,595,163</b>	<b>159,695</b>	<b>1,303,189</b>	<b>1,542,151</b>	<b>3,799</b>	<b>114,751</b>	<b>5,239,401</b>
Charge for the year		-	-	11,973	49,028	6,436	63,224	35,004	-	-	165,665
Disposal		-	-	-	-	(9,704)	(2,025)	(5,430)	-	-	(17,160)
Foreign exchange difference		-	-	-	20,235	803	128,117	126,481	-	-	275,636
<b>MARCH 2021 ACTUAL YTD</b>		<b>154,126</b>	<b>-</b>	<b>378,500</b>	<b>1,664,426</b>	<b>157,230</b>	<b>1,492,504</b>	<b>1,698,206</b>	<b>3,799</b>	<b>114,751</b>	<b>5,663,543</b>
<b>Carrying amounts at:</b>											
<b>MARCH 2021 ACTUAL YTD</b>		<b>-</b>	<b>-</b>	<b>2,286,426</b>	<b>335,556</b>	<b>35,532</b>	<b>(4,836)</b>	<b>316,331</b>	<b>-</b>	<b>-</b>	<b>3,383,558</b>
<b>DECEMBER 2020 ACTUAL YTD</b>		<b>-</b>	<b>414,548</b>	<b>2,298,399</b>	<b>203,791</b>	<b>44,874</b>	<b>154,335</b>	<b>307,475</b>	<b>-</b>	<b>-</b>	<b>3,423,421</b>

No leased assets are included in the above property, plant and equipment and the Group had no capital commitments as at date. The capital work-in progress is a control account for the acquisition of property, plant and equipment for which advance payments have been made but assets yet to be completed, delivered and put to use. None of the assets have been pledged as collateral.

**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

**28 Property, plant and equipment (Company)**

<i>in thousands of Nigerian Naira</i>	<b>Leasehold properties</b>	<b>Land</b>	<b>Building</b>	<b>Leasehold Improvement</b>	<b>Plant and machinery</b>	<b>Motor vehicles</b>	<b>Furnitures fittings and equipment</b>	<b>Total</b>
<b>Cost/revaluation:</b>								
As at 1 January	154,126	-	2,394,588	560,152	81,268	989,128	1,035,517	<b>5,214,779</b>
Additions	-	-	-	15,215	13,323	6,266	40,026	<b>74,831</b>
Disposal	-	-	-	-	-	(29,243)	-	<b>(29,243)</b>
Transfer	-	-	-	-	-	-	-	-
31 December 2020	154,126	-	2,394,588	575,367	94,591	966,151	1,075,543	<b>5,260,367</b>
Additions	-	-	-	-	97	-	64,802	<b>64,899</b>
Disposal	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-
<b>MARCH 2021 ACTUAL YTD</b>	<b>154,126</b>	<b>-</b>	<b>2,394,588</b>	<b>575,367</b>	<b>94,688</b>	<b>966,151</b>	<b>1,140,345</b>	<b>5,325,266</b>
<b>Accumulated depreciation:</b>								
As at 1 January 2019	154,126	-	357,872	496,509	67,676	759,182	981,253	<b>2,816,618</b>
Charge for the year	-	-	47,892	48,536	5,887	117,754	33,106	<b>253,176</b>
Disposal	-	-	-	-	-	(29,243)	-	<b>(29,243)</b>
Transfer	-	-	-	-	-	-	-	-
31 December 2020	154,126	-	405,764	545,046	73,563	847,694	1,014,359	<b>3,040,551</b>
Charge for the year	-	-	11,973	11,832	2,237	21,016	7,156	<b>54,214</b>
Disposal	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-
Foreign exchange reserve	-	-	-	-	-	-	-	-
<b>MARCH 2021 ACTUAL YTD</b>	<b>154,126</b>	<b>-</b>	<b>417,736</b>	<b>556,878</b>	<b>75,800</b>	<b>868,710</b>	<b>1,021,514</b>	<b>3,094,765</b>
<b>Carrying amounts at:</b>								
<b>MARCH 2021 ACTUAL YTD</b>	<b>-</b>	<b>-</b>	<b>1,976,852</b>	<b>18,490</b>	<b>18,888</b>	<b>97,442</b>	<b>118,830</b>	<b>2,230,501</b>
<b>DECEMBER 2020 ACTUAL YTD</b>	<b>-</b>	<b>-</b>	<b>1,988,824</b>	<b>30,322</b>	<b>21,028</b>	<b>118,458</b>	<b>61,184</b>	<b>2,219,816</b>

**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

29 **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

	GROUP		COMPANY	
	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>				
Statutory deposit	500,000	500,000	300,000	300,000
	<b>500,000</b>	<b>500,000</b>	<b>300,000</b>	<b>300,000</b>

30 **Deposit for shares**

Mutual Exploration & Production Limited	7,238	7,238	7,238	7,238
Mutual Benefits Microfinance Bank Limited	-	-	22,000	22,000
	<b>7,238</b>	<b>7,238</b>	<b>29,238</b>	<b>29,238</b>

31 **Insurance contract liabilities**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Outstanding claims	31.1	10,528,985	12,014,155	3,779,262	4,024,793
Unearned premiums	31.2	6,585,293	5,558,129	3,573,646	3,403,809
		<b>17,114,278</b>	<b>17,572,284</b>	<b>7,352,908</b>	<b>7,428,602</b>

31.1 **Movement in outstanding claims**

At 1 January		12,014,155	9,098,146	4,024,793	2,433,441
Claims incurred in the current year		883,814	10,870,697	1,116,578	4,738,129
Claims paid during the year		(2,368,984)	(7,954,688)	(1,362,109)	(3,146,777)
		<b>10,528,985</b>	<b>12,014,155</b>	<b>3,779,262</b>	<b>4,024,793</b>

**Outstanding claims**

Non-Life business	31.1.1	4,060,260	4,912,333	3,779,262	4,024,793
Life business	31.1.2	6,468,724	7,101,822	-	-
		<b>10,528,984</b>	<b>12,014,155</b>	<b>3,779,262</b>	<b>4,024,793</b>

31.1.1 **Non-Life business:**

<b>Non-Life outstanding claims</b>					
Claims reported by policyholders		3,428,240	3,780,313	3,147,242	2,892,773
Claims incurred but not reported (IBNR)		632,020	1,132,020	632,020	1,132,020
		<b>4,060,260</b>	<b>4,912,333</b>	<b>3,779,262</b>	<b>4,024,793</b>

MUTUAL BENEFITS ASSURANCE PLC  
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued  
FOR THE YEAR ENDED 31ST MARCH 2021

31 **Outstanding claims - Continued**

	GROUP		COMPANY	
	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>				
	Notes			
<b>Movement in Non-life outstanding claims</b>				
At 1 January	4,912,333	2,811,830	4,024,793	2,433,441
Claims incurred in the current year	595,166	6,067,777	1,116,578	4,738,129
Claims paid during the year	(1,447,239)	(3,967,274)	(1,362,109)	(3,146,777)
	<b>4,060,260</b>	<b>4,912,333</b>	<b>3,779,262</b>	<b>4,024,793</b>

31.1.2 **Life business:**

**Life outstanding claims**

Outstanding claims	5,613,706	5,746,804	-	-
Claims incurred but not reported	855,019	1,355,018	-	-
	<b>6,468,724</b>	<b>7,101,822</b>	-	-

**Analysis of life outstanding claims per class of insurance**

Group life	i	5,017,157	5,690,757		
Individual life	ii	1,133,813	1,082,368		
Annuity	iii	317,754	328,696		
		<b>6,468,724</b>	<b>7,101,822</b>		

i **Movement in group life outstanding claims**

At 1 January	5,690,757	5,071,640		
Claims incurred in the current year	170,820	4,348,646		
Claims paid during the year	(844,420)	(3,729,529)		
	<b>5,017,157</b>	<b>5,690,757</b>		

**Life business:**

ii **Movement in individual life outstanding claims**

At 1 January	1,082,368	889,976		
Premiums written in the year	760,149	2,517,408		
Premiums earned during the year	(708,704)	(2,517,958)		
Claims incurred in the current year	66,383	213,659		
Claims paid during the year	(66,383)	(213,659)		
Changes in actuarial valuation	-	192,942		
	<b>1,133,813</b>	<b>1,082,368</b>		

iii **Movement in annuity**

At 1 January	328,696	324,700	-	-
Claims incurred in the current year	10,942	44,226	-	-
Claims paid during the year	(10,942)	(44,226)	-	-
Changes in actuarial valuation	(10,942)	3,996	-	-
	<b>317,754</b>	<b>328,696</b>	-	-

**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

**31.2 Unearned premiums**

Non-Life business		3,772,657	3,540,532	3,573,646	3,403,809
Life business		2,812,635	2,017,597	-	-
		<b>6,585,293</b>	<b>5,558,129</b>	<b>3,573,646</b>	<b>3,403,809</b>

**i The movement in unearned premium**

At 1 January		5,558,129	5,002,659	3,403,809	2,595,067
Premiums written in the year	1.1	8,112,065	19,983,843	4,344,016	9,207,506
Premiums earned during the year	1	(7,084,901)	(19,428,373)	(4,174,179)	(8,398,764)
		<b>6,585,293</b>	<b>5,558,129</b>	<b>3,573,646</b>	<b>3,403,809</b>

**ii The movement in non-life unearned premium**

At 1 January		3,540,532	2,856,541	3,403,809	2,595,067
Premiums written in the year		5,000,162	11,347,783	4,344,016	9,207,506
Premiums earned during the year		(4,768,037)	(10,663,792)	(4,174,179)	(8,398,764)
		<b>3,772,657</b>	<b>3,540,532</b>	<b>3,573,646</b>	<b>3,403,809</b>

**The movement in life unearned premium**

At 1 January		2,017,597	2,146,118	-	-
Premiums written in the year		3,111,903	8,636,060	-	-
Premiums earned during the year		(2,316,865)	(8,764,581)	-	-
		<b>2,812,635</b>	<b>2,017,597</b>	-	-

**32 Investment contract liabilities**

Group deposit administration		593,594	583,211	-	-
Individual deposit administration		27,596,135	27,864,056	-	-
		<b>28,189,729</b>	<b>28,447,267</b>	-	-
Current		9,742,373	9,962,484	-	-
Non-current		18,447,356	16,303,645	-	-
		<b>28,189,729</b>	<b>28,447,267</b>	-	-

**The movement in deposit administration funds**

Balance at the beginning of the year		28,447,267	26,266,129	-	-
Deposits received during the year		3,623,111	12,323,764	-	-
Guaranteed interest		598,150	2,146,434	-	-
Withdrawals during the year		(4,478,799)	(12,289,060)	-	-
Balance at the end of the year		<b>28,189,729</b>	<b>28,447,267</b>	-	-

**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
33		<b>Trade payables</b>			
		1,261,889	674,669	365,798	107,619
		87,103	25,020	-	-
		194,598	194,598	183,948	183,948
		363,977	290,667	145,952	230,840
		826,357	942,052	15,519	234,196
		<b>2,733,924</b>	<b>2,127,006</b>	<b>711,217</b>	<b>756,603</b>

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
<i>in thousands of Nigerian Naira</i>					
34		<b>Other liabilities</b>			
		1,944,837	1,656,333	1,184,842	1,303,107
		22,709	30,658	10,942	1,167
		24,798	24,798	24,798	24,798
		-	-	311,651	178,944
		1,444	1,202	882	546
		344,180	546,852	-	-
		22,145	17,105	14,984	10,222
		8,412	10,104	5,866	7,717
		24,077	23,910	-	-
		4,553	949	-	-
		2,113	2,103	2,090	2,090
		909	759	-	-
		31,586	411,403	31,588	83,641
		42,279	42,279	-	-
		714,470	640,512	517,592	341,865
		317	317	-	-
		<b>3,188,829</b>	<b>3,409,284</b>	<b>2,105,235</b>	<b>1,954,097</b>

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
35		<b>Deposit liabilities</b>			
		-	-	-	-
		96,637	116,328	-	-
		119,782	119,922	-	-
		74,388	65,368	-	-
		<b>290,807</b>	<b>301,618</b>	<b>-</b>	<b>-</b>

**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

36 **Borrowings**

<i>in thousands of Nigerian Naira</i>	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
GTBank margin facility		400,870	400,870	400,870	400,870
Loan from Concept Capital Management Ltd	36.3	3,524,604	3,489,260	3,524,604	3,489,260
		<b>3,925,474</b>	<b>3,890,130</b>	<b>3,925,474</b>	<b>3,890,130</b>

36.1 **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
Addition of Loan from Concept Capital Management Ltd.	-	3,476,172	-	3,476,172
Impact of foreign exchange rate changes	(3,876)	-	(3,876)	-
Extinguishment of Loan from Daewoo Securities Ltd.	-	(6,351,975)	-	(6,351,975)
Accrued interest	39,220	13,088	39,220	13,088
Payments during the year	-	-	-	-
Balance at the end of the year	<b>3,925,474</b>	<b>3,890,130</b>	<b>3,925,474</b>	<b>3,890,130</b>

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 N421,455,030 (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 (N3,476,171,955). The carrying amount of the Bonds at the time of extinguishment was N6,351,975,000 and costs incurred were N1,300,000,000, resulting in a net gain on extinguishment of N1,575,803,045 which was included in other income in the statement of profit or loss for the year ended 31 December 2020.

36.3 **Loan from Concept Capital Management Ltd**

<i>in thousands of Nigerian Naira</i>	GROUP		COMPANY	
	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
Initial fair value of loan	3,489,260	3,476,172	3,489,260	3,476,172
Accrued interest expense	39,220	13,088	39,220	13,088
Foreign exchange difference	(3,876)	-	(3,876)	-
Payments during the year	-	-	-	-
	<b>3,524,604</b>	<b>3,489,260</b>	<b>3,524,604</b>	<b>3,489,260</b>

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 31 May 2021, 30 November 2021 and 30 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.

MUTUAL BENEFITS ASSURANCE PLC  
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37 **Current income tax liabilities**

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
<b>At the beginning of the year:</b>		904,704	893,369	616,987	642,173
<b>Current year charge:</b>					
Company income tax		80,210	259,309	21,720	68,710
Education tax		23,281	7,268	-	7,268
Information technology tax		-	50,334	-	18,954
Minimum tax		-	7,115	-	-
Under provision during the year		-	-	-	-
	14.1	103,491	324,025	21,720	94,932
Payments during the year		(16,397)	(312,690)	-	(120,118)
<b>Balance at the end of the year</b>		<b>991,798</b>	<b>904,704</b>	<b>638,707</b>	<b>616,987</b>

38 **Deferred income tax**

Deferred income tax asset	(612,077)	(612,077)	(91,556)	(91,556)
Deferred tax liabilities	1,724,209	2,140,655	751,123	751,124
	1,112,132	1,528,578	659,567	659,568





**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
**FOR THE YEAR ENDED 31ST MARCH 2021**

39 **Share capital**

**Share capital comprises:**

39.1 **Authorized:**

20,000,000,000 (2020: 20,000,000,000) Ordinary shares of 50k each	10,000,000	10,000,000	10,000,000	10,000,000
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39.2 **Issued and fully paid:**

11,172,733,508 Ordinary shares of 50k each	5,586,367	5,586,367	5,586,367	5,586,367
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39.3 **Shareholding Structure/Free Float Status**

Share Price at end of reporting period

N0.46 (2020: N0.27)

Description	MARCH 2021 ACTUAL YTD		DECEMBER 2020 ACTUAL YTD	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	<b>11,172,733,508</b>	<b>100.00%</b>	<b>11,172,733,508</b>	<b>100.00%</b>
<b>Substantial Shareholdings(5% and above)</b>				
Charles Enterprises LLC	3,150,000,000	28.19%	3,150,000,000	28.19%
Ogunbiyi Akinade Akanmu	1,100,000,000	9.85%	1,100,000,000	9.85%
CIL Risk & Asset Management Limited	933,858,376	8.36%	933,858,376	8.36%
Arubiewe Farms Limited	851,275,000	7.62%	851,275,000	7.62%
Ogunbiyi Adedotun	611,991,460	5.48%	611,991,460	5.48%
<b>Total Substantial Shareholdings</b>	<b>6,647,124,836</b>	<b>59.49%</b>	<b>6,647,124,836</b>	<b>59.49%</b>
<b>Directors' Shareholdings</b>				
Dr.Eze Ebube	5,000,000	0.04%	5,000,000	0.04%
Prof.Patrick Utomi	34,439,974	0.31%	34,439,974	0.31%
Adebiji Ashiru-Mobolaji	8,012,654	0.07%	8,012,654	0.07%
Femi Asenuga	21,593,150	0.19%	21,593,150	0.19%
<b>Total Directors' Shareholdings</b>	<b>69,045,778</b>	<b>0.62%</b>	<b>69,045,778</b>	<b>0.62%</b>
<b>Other Influential Shareholdings</b>				
Charks Investment Limited	254,222,278	2.28%	254,222,278	2.28%
<b>Total Influential Shareholdings</b>	<b>254,222,278</b>	<b>2.28%</b>	<b>254,222,278</b>	<b>2.28%</b>
Free Floats in Units and Percentage	<b>4,202,340,616</b>	<b>37.61%</b>	<b>4,202,340,616</b>	<b>37.61%</b>
<b>Free Float in Value</b>	<b>1,933,076,683</b>		<b>1,134,631,966</b>	

**Declaration:**

- Mutual Benefits Assurance Plc with a free float percentage of 37.61% and value of N1,933,076,683 as at 31 March 2021, is compliant with The Exchange's free float requirements for companies listed on the Main Board.
- Mutual Benefits Assurance Plc with a free float percentage of 37.61% and value of N1,134,631,966 as at 31 December 2020, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

40 **Treasury shares**

	GROUP		COMPANY	
	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
<i>in thousands of Nigerian Naira</i>				
Company's shares held	250	250	250	250

**MUTUAL BENEFITS ASSURANCE PLC**  
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS-Continued**  
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Treasury share: this represents the market value of shares of the Company held by the Company through its investment in quoted securities of the Nigerian Stock Exchange.

**41 Deposit for shares**

This represents deposit for shares from the two investors in the Company's private placement, pending allotment of the shares.

The combined amount of N4.8 billion received on 21 December 2020 by the Company from Charles Enterprise LLC and Arubiewe Farms Limited is kept in a dedicated account by the issuing house, Radix Capital Partners Limited, pending the receipt of the final approval by the Securities and Exchange Commission (SEC). A 'No Objection' to raise the capital through the private placement was received from NAICOM on 17 December 2020.

The two investors have no intention of asking for a refund of their funds. Hence, the recognition of these funds in equity as Deposit for Shares pending the receipt of the final approval and allocation of the shares.

The Nigerian Stock Exchange (now, Nigerian Exchange Limited) granted approval for the listing of the private placement to Charles Enterprise LLC and Arubiewe Farms Limited on 12 April 2021.

**42 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 Naira. Mutual benefits liberia limited and Mutual benefits Niger Republic limited have functional currencies other than Naira.

**43 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	
	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL
<i>in thousands of Nigerian Naira</i>				
Balance, beginning of the year	4,172,059	3,462,493	3,118,041	2,745,470
Transfer from retained earnings	130,343	709,566	130,320	372,571
<b>Balance, end of year</b>	<b>4,302,402</b>	<b>4,172,059</b>	<b>3,248,361</b>	<b>3,118,041</b>
<b>Analysis per business segment</b>				
Non-life business	3,248,361	3,118,041	3,248,361	3,118,041
Life business	1,054,041	1,054,018	-	-
	<b>4,302,402</b>	<b>4,172,059</b>	<b>3,248,361</b>	<b>3,118,041</b>
<b>Non-life business</b>				
Balance, beginning of the year	3,118,041	2,745,470	3,118,041	2,745,470
Transfer from retained earnings	130,320	372,571	130,320	372,571
<b>Balance, end of year</b>	<b>3,248,361</b>	<b>3,118,041</b>	<b>3,248,361</b>	<b>3,118,041</b>
<b>Life business</b>				
Balance, beginning of the year	1,054,018	717,023	-	-
Transfer from retained earnings	23	336,995	-	-
<b>Balance, end of year</b>	<b>1,054,041</b>	<b>1,054,018</b>	<b>-</b>	<b>-</b>

**44 Revaluation reserves**

This is revaluation surplus in respect of building in line with the Company's accounting policies.

	Notes	GROUP		COMPANY	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD	MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>					
Revaluation surplus on property, plant and equipment - Land and building		1,520,131	1,520,131	1,339,395	1,339,395

**45 Retained earnings**

The retained earnings represents the amount available for dividend distribution to the equity shareholders of the Company. See statement of changes in equity for movement in retained earnings.

**MUTUAL BENEFITS ASSURANCE PLC**  
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46 **Non-controlling interests in equity**

	Notes	GROUP	
		MARCH 2021 ACTUAL YTD	DECEMBER 2020 ACTUAL YTD
<i>in thousands of Nigerian Naira</i>			
Opening balance		1,333,778	1,100,847
Transfer from Statement of profit or loss and other comprehensive income		21,594	232,931
<b>Balance as at year end</b>		<b>1,355,372</b>	<b>1,333,778</b>

47 **Securities Trading Policy**

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Mutual Benefits Assurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement of the policy during the period.

48 **Statement of Investor Relation**

Mutual Benefits Assurance Plc has a dedicated investors' portal on its corporate website which can be accessed via this link <https://www.mutualng.com/plc/about-investor> The Company's Investors' Relations officer can be reached through electronic mail at [investor.relations@mutualng.com](mailto:investor.relations@mutualng.com) or telephone on; +2349054644444 for any investment relation enquiry.