

Mutual Benefits Assurance Plc
Statement of profit or loss and other comprehensive Income
for the year ended 31 December 2013

	Notes	Group 31 December 2013 N'000	Group 31 December (Restated) 2012 N'000	Parent 31 December 2013 N'000	Parent 31 December (Restated) 2012 N'000
Gross premium written	33.0	8,125,494	7,944,453	5,326,871	4,975,074
Gross premium income	33.0	7,680,854	7,980,860	5,246,029	5,026,347
Re-insurance expenses	33.0	(954,019)	(525,355)	(878,559)	(415,926)
Net premium income		6,726,835	7,455,505	4,367,470	4,610,421
Commission received	33.0(b)	109,201	60,902	58,016	37,241
Net underwriting income		6,836,036	7,516,407	4,425,486	4,647,662
Claims:					
Claims expenses (Gross)	34.0	(4,045,125)	(2,897,155)	(1,982,281)	(1,708,907)
Claims expenses recovered from reinsurers	34.0	1,230,782	73,511	297,416	293,335
Claims expenses (Net)		(2,814,343)	(2,823,644)	(1,684,865)	(1,415,572)
Acquisition costs	35.0	(1,485,510)	(1,826,636)	(1,012,512)	(577,838)
Total underwriting expenses		(4,299,853)	(4,650,280)	(2,697,377)	(1,993,410)
Underwriting results		2,536,183	2,866,127	1,728,109	2,654,252
(Loss)/profit on investment contract liabilities	36.0	(485,722) -	15,563	-	-
Investment income	37.0	299,364	336,507	85,269	37,248
Net fair value gain/(losses) on financial assets at FVTPL	38.0	84,786	(26,912)	87,287	(13,345)
Reversal of Commission Payable on trade receivables written off	21.2	727,442	-	727,442	-
Other income	39.0	3,359,509	2,266,191	1,660,672	831,173
Impairment charge no longer required	40.0	251,002	821,543	112,062	109,617
Impairment charges	41.0	(146,784)	(2,084,447)	(743,684)	(1,690,724)
Management expenses	42.0	(4,681,620)	(6,241,754)	(2,316,021)	(3,759,784)
Employees benefit expenses	43.0	(1,159,437)	(1,079,077)	(631,337)	(612,412)
Loss on disposal of associate		-	(6,414)	-	-
Results of operating activities		784,723	(3,163,799)	709,799	(2,443,975)
Finance costs	44.0	(58,497)	(55,452)	(18,221)	(34,262)
Finance income	45.0	184,851	147,667	-	-
Profit/(Loss) before tax		911,077	(3,071,584)	691,578	(2,478,237)
Income tax expense	25.0	(355,325)	(318,654)	(116,707)	(251,131)
Profit/(Loss) after tax		555,752	(3,390,238)	574,871	(2,729,368)
Profit/(Loss) attributable to:					

Owners of the parent		557,288	(3,381,237)	574,871	(2,729,368)
Non-controlling interests	32.0	(1,536)	(9,001)	-	-
		<u>555,752</u>	<u>(3,390,238)</u>	<u>574,871</u>	<u>(2,729,368)</u>

Other comprehensive income:

Foreign currency translation reserve		-	(3,850)	-	-
Revaluation surplus on Property plant and equipment (Net of tax)		80,525	1,337,350	-	1,288,563
Other comprehensive income for the period		<u>80,525</u>	<u>1,333,500</u>	<u>-</u>	<u>1,288,563</u>

**Total comprehensive income for the
period**

		<u>636,277</u>	<u>(2,056,738)</u>	<u>574,871</u>	<u>(1,440,805)</u>
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Owners of the parent		637,813	(2,055,608)	-	-
Non-controlling interests		(1,536)	(1,130)	-	-
Total comprehensive income for the period		<u>636,277</u>	<u>(2,056,738)</u>	<u>-</u>	<u>-</u>

Mutual Benefits Assurance Plc
Statement of Financial Position
As at 31 December 2013

		Group 31 December	Group 31 December (Restated)	Company 31 December	Company 31 December (Restated)
	Notes	2013 N'000	2012 N'000	2013 N'000	2012 N'000
ASSETS					
Cash and cash equivalents	3.0	3,702,341	1,539,730	1,127,905	741,277
Financial assets					
– Available-for-sale	4.1	825,933	823,149	-	-
– At fair value through profit o.	4.2	219,363	194,214	125,989	71,880
– Loans and receivables	4.3	11,834,606	9,345,120	4,658,929	3,911,579
Pledged assets	4.4	121,712	115,962	121,712	88,535
Trade receivables	5.0	316,894	538,758	247,225	453,591
Reinsurance assets	6.0	862,608	681,041	700,876	403,460
Deferred acquisition cost	7.0	361,815	304,464	295,460	266,338
Other receivables and prepayn	8.0	1,177,988	819,534	174,749	240,272
Finance lease receivables	9.0	786,978	932,960	165,925	336,600
Inventories	10.0	3,574,848	4,566,628	-	-
Investment in subsidiaries	11.0	-	-	2,655,138	2,886,001
Intangible assets	12.0	26,393	42,172	9,746	18,731
Property, plant and equipment	13.0	5,436,785	5,725,163	2,910,553	2,881,080
Investment property	14.0	1,846,398	-	-	-
Statutory deposit	15.0	500,000	500,000	300,000	300,000
Deposit for shares	16.0	371,255	-	954,255	983,000
Deferred tax asset	26.0	89,696	58,495	-	-
Goodwill	17.0	190,108	190,108	-	-
TOTAL ASSETS		32,245,721	26,377,498	14,448,462	13,582,344
LIABILITIES					
		N'000	N'000	N'000	N'000
Insurance contract liabilities	18.0	5,558,453	5,304,987	3,768,829	3,129,011
Investment contract liabilities	19.1	14,936,770	10,105,286	-	-
Trade payables	20.0	178,284	177,436	44,074	28,539
Other payables	21.0	3,713,282	2,923,966	2,954,576	2,360,873
Deposit liabilities	22.0	277,369	197,688	-	-
Book overdraft	23.0	248,038	31,384	7,670	27,345
Borrowings	24.0	3,791,739	4,800,229	3,731,443	4,614,375
Current income tax liabilities	25.0	455,980	476,408	202,778	291,762
Deferred income tax liabilities	26.0	701,262	484,318	433,962	400,180
TOTAL LIABILITIES		29,861,177	24,501,702	11,143,332	10,852,085
EQUITY					
Paid up share capital	27.0	4,000,000	4,000,000	4,000,000	4,000,000
Retained earnings	28.0	(4,597,996)	(4,970,137)	(3,200,344)	(3,615,409)
Contingency reserve	29.0	1,436,756	1,251,609	1,216,911	1,057,105
Revaluation reserve	30.0	1,288,563	1,327,593	1,288,563	1,288,563
Foreign currency translation	31.0	14,606	12,791	-	-

SHAREHOLDERS' FUNDS		2,141,929	1,621,856	3,305,130	2,730,259
Total equity attributable to the owners of the parent		2,141,929	1,621,856	3,305,130	2,730,259
Non-controlling interest in equ	32.0	242,616	253,940	-	-
TOTAL EQUITY		2,384,545	1,875,796	3,305,130	2,730,259
TOTAL LIABILITIES AND EQUITY		32,245,722	26,377,498	14,448,462	13,582,344

Signed on behalf of the Board of Directors on by:

Additionally certified by:

.....
Mr. Olabisi Olayiwola
FRC/2013/ICAN/00000003098
Chief Finance Officer

.....
Mr. Omosehin Olusegun
FRC/2013/CIIN/00000003103
Director

.....
Mr. Akin Opeodu
FRC/2013/ICAN/00000003128
Vice Chairman

The accounting policies on

Auditors report, pages 25 and 26

Statement of Cash Flows

for the year ended 31 December 2013

	Group 31 December 2013 N'000	Group 31 December 2012 N'000	Parent 31 December 2013 N'000	Parent 31 December 2012 N'000
Cash flows from operating activities				
Premium received from policy holders	9,221,412	9,940,867	5,728,048	5,565,346
Changes in working capital				
Reinsurance assets	1,423,688	(1,678,766)	(110,743)	(293,335)
Other receivables	(843,873)	192,971	(43,689)	142,954
Deferred acquisition cost	(57,351)	(67,645)	(29,122)	(29,841)
Inventories	926,352	(1,263,336)	-	-
Insurance contract liabilities	(1,894,318)	(117,128)	220,819	(51,272)
Investment contract liabilities	4,362,703	3,350,145	-	-
Trade and other payables	865,422	1,686,065	318,326	944,899
Loans and advances	(102,530)	(108,739)	-	-
Deposit liabilities	79,681	108,671	-	-
Claims paid	(3,058,396)	(1,748,956)	(1,556,836)	(1,370,398)
Operating costs and payment to employees	(9,072,494)	(10,353,025)	(3,277,944)	(4,925,668)
Commission paid	(1,006,485)	(708,421)	(888,004)	(536,119)
Other underwriting expenses	(479,025)	(290,443)	(124,508)	(41,719)
Other cash received	4,544,336	3,557,384	1,025,895	737,407
	4,909,122	2,499,645	1,262,242	142,254
Income tax paid	(190,010)	(91,630)	(171,909)	(64,260)
Net cash from operating activities	4,719,112	2,408,015	1,090,333	77,994
Cash flows from investing activities				
Purchase of property, plant and equipm 13.0	(453,223)	(473,949)	(185,685)	(94,644)
Purchase of intangible assets 12.0	(1,400)	(5,068)	-	-
Proceed from the disposal of property, plant and equipment	335,612	10,000	14,006	1,300
Additions to investment property	(1,667,403)			
Additions to finance lease receivables 9.0	(90,192)	(455,910)	(138,061)	(262,779)
Repayment of finance lease receivables 9.0	307,749	802,266	258,503	226,785
Loan to Prime Exploration Production Li 4.3	(160,000)	(3,436,373)	-	(32,488)
Loan to Mutual Homes and properties 4.3	-	-	-	(1,430)
Loan to Amdorf	(320,000)	-	-	
Receipt from Mutual Homes and Properties Limited 4.3	-	-	-	500
Additional loan to Mutual Model Transport Limited 4.3	-	-	(80,300)	(40,420)
Receipt from Mutual Model transport Limited	-	-	30,000	81,173
Loan to Charks Investment Limited 4.3	(33,770)	-	(33,770)	-
Disposal of trading securities	-	84,721	-	-
Addition to deposit for shares in subsidiaries	-	-	(371,255)	-
Proceed on disposal of investments in associa	-	205,636	-	-
Additions to other investments	-	(77,594)	-	-
Additions to investment in subsidiaries	43,587	-	-	-

Net cash used in investing activities		(2,039,040)	(3,346,271)	(506,562)	(122,003)
Cash flows from financing activities					
Finance cost	44.0	(58,497)	(55,452)	(18,221)	(34,262)
Finance income	45.0	184,851	147,667	-	-
Bank loan	24.0	-	34,262	-	34,262
Repayment of Long term borrowings		(290,522)	(190,780)	(159,247)	(136,030)
Net cash used in financing activities		(164,168)	(64,303)	(177,468)	(136,030)
Cash and cash equivalent at beginning of year		1,508,346	1,512,041	713,932	316,133
Net increase/(decrease) in cash and cash equi		2,515,905	(3,695)	406,303	397,799
Cash and cash equivalent at end of peric	3.1	4,024,251	1,508,346	1,120,235	713,932

Mutual Benefits Assurance Plc
Statements of Changes in Equity
Year ended 31 December 2013
Group

	Share capital N'000	Foreign currency translation reserve N'000	Contingency reserve N'000	Revaluation reserve N'000	Retained earnings N'000	Total N'000	Non Controlling interest N'000	Total equity N'000
Balance 1 January, 2013	4,000,000	12,791	1,251,609	1,327,593	(4,970,137)	1,621,856	253,941	1,875,797
Total comprehensive income for the year:								
Profit for the year	-	-	-	-	557,288	557,288	(1,536)	555,752
Transfer to contingency reserve	-	-	185,147	-	(185,147)	-	-	-
Surplus on revaluation of property, plant and equipment	-	-	-	80,525	-	80,525	-	80,525
Revaluation loss realised during the year	-	-	-	(119,555)	-	(119,555)	-	(119,555)
Other comprehensive income:	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	1,814	-	-	-	1,814	(31)	1,783
Revaluation surplus on asset disposed	-	-	-	-	-	-	(9,757)	(9,757)
Total comprehensive income for the year	-	1,814	185,147	(39,030)	372,141	520,072	(11,324)	508,748
Transactions with owners recorded								
Contributions by and distribution to								
Dividends to equity holders	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-
Balance 31 December, 2013	4,000,000	14,605	1,436,756	1,288,563	(4,597,996)	2,141,928	242,617	2,384,545
	Share capital N'000	Foreign currency translation reserve N'000	Contingency reserve N'000	Revaluation reserve N'000	Retained earnings N'000	Total N'000	Non Controlling interest N'000	Total equity N'000
Balance 1 January, 2012	4,000,000	14,821	1,075,348	-	(2,240,411)	2,849,758	255,005	3,104,763
Total comprehensive income for the year:								
Loss for the year	-	-	-	-	(2,553,465)	(2,553,465)	(9,001)	(2,562,466)
Transfer to contingency reserve	-	-	176,261	-	(176,261)	-	-	-
	-	-	-	-	-	-	-	-
Other comprehensive income:	-	-	-	-	-	-	-	-
Revaluation surplus on Property plant	-	-	-	1,327,593	-	1,327,593	9,757	1,337,350
Foreign currency translation reserve	-	(2,030)	-	-	-	(2,030)	(1,820)	(3,850)
Total comprehensive income for the year	-	(2,030)	176,261	1,327,593	(2,729,726)	(1,227,902)	(1,064)	(1,228,966)
Transactions with owners recorded								
Contributions by and distribution to								
Dividends to equity holders	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-
Balance 31 December, 2012	4,000,000	12,791	1,251,609	1,327,593	(4,970,137)	1,621,856	253,941	1,875,797