



## RSA FUND: STATEMENT OF ACCOUNT AS AT DECEMBER, 2016.

### Statement of Asset and Liabilities As at 31 December

In thousands of Naira	Note	31-Dec-2016	31-Dec-2015
<b>Assets:</b>			
Cash and bank balances	6(a)	756,988	1,044,522
Investments	7	61,492,820	50,487,548
Debtors and receivables	8	839	75,673
<b>Total Assets</b>		<b>62,250,647</b>	<b>51,607,743</b>
<b>Liabilities:</b>			
Liabilities for fees and commission	9	125,356	104,840
Other liabilities	10	788,021	972,875
<b>Total liabilities</b>		<b>913,377</b>	<b>1,077,715</b>
<b>Net Assets</b>		<b>61,337,270</b>	<b>50,530,028</b>
<b>Members' Fund</b>			
Members' contributions	11(a)	41,511,256	36,329,937
Accumulated surplus	12	19,826,014	14,200,091
<b>Total Members' Fund</b>		<b>61,337,270</b>	<b>50,530,028</b>
<b>Net asset value per unit (Naira)</b>	13	<b>2.4535</b>	<b>2.2191</b>

These financial statements were approved by the Board of Directors of the Pension Fund Administrator on 24 October 2017 and signed on behalf of the Board of Directors of the Pension Fund Administrator by directors listed below:

**Mr. Bukola Oluwadiya**  
Director  
FRC/2013/CISN/00000005132

**Mr. E. Longe**  
Managing Director/CEO  
FRC/2013/CISN/00000002092

Additionally certified by:

**Mrs. Titilayo Teriba**  
Acting Chief Finance Officer  
FRC/2017/ICAN/00000017374

The statement of accounting policies on pages 12 to 14 and accompanying notes on page 18 to 23 from an integral part of these financial statements.

### Statement of Income and Expenditure For the year ended 31 December

In thousands of Naira	Note	31 Dec 2016	31 Dec 2015
<b>Income</b>			
Investment income	1(a)	6,879,359	6,143,028
Realised gain on investments	2(a)	17,608	83,157
Unrealised loss on investments	7(f)(l)	28,965	(323,166)
Other income	3	10,865	5,600
<b>Net investment income</b>		<b>6,936,794</b>	<b>5,908,619</b>
<b>Expenses</b>			
Fund management fees	4	(1,300,914)	(1,091,562)
General and administrative expenses	5	(9,957)	(16,013)
<b>Total Expenses</b>		<b>(1,310,871)</b>	<b>(1,107,575)</b>
<b>Net surplus for the year</b>		<b>5,625,923</b>	<b>4,801,044</b>
<b>Accumulated surplus, beginning of the year</b>		<b>14,200,091</b>	<b>9,399,047</b>
<b>Accumulated surplus, end of the year</b>		<b>19,826,014</b>	<b>14,200,091</b>

The statement of accounting policies on pages 12 to 14 and accompanying notes on page 18 to 23 from an integral part of these financial statements.

### INDEPENDENT AUDITOR'S REPORT

To the Administrator of AIICO Pension Managers Retirement Savings Account (RSA) Fund

#### Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of AIICO Pension Managers Retirement Savings Account (RSA) Fund ("the Fund") which comprise the statement of assets and liabilities as at 31 December 2016, and the statement of income and expenditure, statement of cash flows and value added statement for the year then ended, and the statement of accounting policies, notes to the financial statements and five year financial summary, as set out on pages 12 to 25.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2016 and its financial performance and its cash flows for the year then ended in accordance with the Nigerian Statements of Accounting Standards (SAS) and relevant National Pension Commission (PENCOM) guidance and circulars and in the manner required by the Financial Reporting Council of Nigeria Act, 2011.

#### Basis for Opinion

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

#### Other Information

The Administration is responsible for the other information which comprises the Pension Fund Administrator's report. Statement of the Pension Fund Administrator's responsibilities and Certification by the Directors of the Administrator.

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

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

#### Responsibility of the Administrator for the Financial Statements

The Administrator is responsible for the preparation of financial statements that gave a true and fair view in accordance with the Nigerian Statements of Accounting Standards (SAS) and relevant National Pension Commission (PENCOM) guidance and circulars, and in the manner required by the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the Administrator determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Administrator is responsible for assessing for Fund's ability to continue as a going concern disclosing as applicable matters related to going concern and using the going concern basis of accounting unless the Administrator either intends to liquidate the Fund or to cease operations or have no realistic alternative to do so.

#### Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to these risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher for one resulting from error as fraud may involve collusion, forgery, internal omission, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Administrator.
- Conclude on the appropriateness of the Administrator's use of the going concern basis of accounting and basis on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to related disclosures in the financial statements or if such disclosures are inadequate to modify our opinion. Our conclusion may cause the fund to cease to continue as a going concern.
- Evaluate the overall structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Kabir O. Okulola, FCA  
FRC/2012/ICAN/00000000428  
For: KPMG Professional Services  
Chartered Accountant  
24 October, 2017  
Lagos, Nigeria.

