

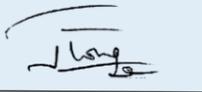
## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

| <i>in thousands of Naira</i>                | 31-Dec-20        | 31-Dec-19        |
|---|------------------|------------------|
| <b>Assets:</b>                              |                  |                  |
| Cash and cash equivalents                   | 1,749,941        | 1,238,479        |
| Investment securities                       | 97,098           | 214,226          |
| Trade and other receivables                 | 173,459          | 212,590          |
| Other assets                                | 18,271           | 29,564           |
| Property, equipment and right of use assets | 147,227          | 223,714          |
| Intangible assets                           | 43,295           | 55,205           |
| <b>Total Assets</b>                         | <b>2,229,291</b> | <b>1,973,778</b> |
| <b>Liabilities</b>                          |                  |                  |
| Trade and other payables                    | 152,896          | 108,320          |
| Income tax payable                          | 131,083          | 73,268           |
| Deferred tax liability                      | 23,994           | 32,485           |
| <b>Total liabilities</b>                    | <b>307,973</b>   | <b>214,073</b>   |
| <b>Equity</b>                               |                  |                  |
| Share capital                               | 1,078,777        | 1,078,777        |
| Share premium                               | 40,365           | 40,365           |
| Statutory reserve                           | 202,042          | 168,356          |
| Retained earnings                           | 600,134          | 472,207          |
| <b>Total equity</b>                         | <b>1,921,318</b> | <b>1,759,705</b> |
| <b>Total liabilities and equity</b>         | <b>2,229,291</b> | <b>1,973,778</b> |

The financial statements for the year ended 31 December 2020 were approved  
by the Board of Directors on 10 March 2021 and signed on its behalf by the directors listed below;



Mr. Ernest C. Ebi MFR  
Chairman  
FRC/2017/CIBN/00000016317



Mr. E. Longe  
Managing Director/CEO  
FRC/2013/CISN/0000002092

Additionally certified by;



Mrs. Ojuolape Dada, ACA  
Ag. Chief Financial Officer  
FRC/2021/001/00000022599

The accompanying notes to the financial statements are an integral part of these financial statements.

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2020

| <i>in thousands of Naira</i>                               | 31-Dec-20        | 31-Dec-19        |
|--|------------------|------------------|
| <b>Revenue</b>   |                  |                  |
| Fee income   | 1,511,432        | 1,386,840        |
| Interest income  | 88,741           | 182,213          |
| Other income   | 57,695           | 47,138           |
| <b>Total income</b>  | <b>1,657,868</b> | <b>1,616,191</b> |
| <b>Expenses</b>  |                  |                  |
| Other operating expenses                                   | (436,237)        | (486,842)        |
| Expected credit loss write back/(allowance)                | 1,973            | (2,293)          |
| Depreciation   | (105,536)        | (128,195)        |
| Amortisation   | (29,503)         | (20,964)         |
| Personnel Expenses   | (703,414)        | (729,287)        |
| <b>Profit before income tax</b>                            | <b>385,151</b>   | <b>248,610</b>   |
| Income tax expense   | (115,660)        | (52,819)         |
| <b>Profit year</b>   | <b>269,491</b>   | <b>195,791</b>   |
| <b>Other comprehensive income</b>                          | <b>-</b>         | <b>-</b>         |
| <b>Total other comprehensive income for the year</b>       | <b>-</b>         | <b>-</b>         |
| <b>Total comprehensive income for the year, net of tax</b> | <b>269,491</b>   | <b>195,791</b>   |
| <b>Basic and diluted earnings per share (naira)</b>        | <b>0.25</b>      | <b>0.18</b>      |

The accompanying notes form an integral part of these financial statements.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIICO PENSION MANAGERS LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of AIICO Pension Managers Limited ("the company") set out on pages 17-50, which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020 and of its financial performance and cash flows for the year then ended and have been prepared in accordance with International Financial Reporting Standards, the relevant provisions of the Companies and Allied Matters Act 2020, the Pension Reform Act 2014, the National Pension Commission (PENCOM) guidelines and the Financial Reporting Council of Nigeria Act No. 6, 2011.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing the audit of the company. We have fulfilled our other ethical responsibilities in accordance with the IESBA code, and in accordance with other ethical requirements applicable to performing the audit of the company. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The Directors are responsible for the other information. The other information comprises the information included in 53-page document titled "AIICO Pension Managers Limited Annual Report for the year ended 31 December 2020" which include the Directors' Report, the Statement of Directors' Responsibilities in Relation to the Financial Statements, the Value Added Statement and Five-Year Financial Summary as required by the Companies and Allied Matters Act 2020, the Pension Reform Act 2014, the National Pension Commission (PENCOM) guidelines and the Financial Reporting Council of Nigeria Act No. 6, 2011. The other information does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or 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 are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and the relevant provisions of the Companies and Allied Matters Act 2020, Pension Reform Act 2014, the National Pension Commission (PENCOM) guidelines and the Financial Reporting Council of Nigeria Act No. 6, 2011 and for such internal control as the Directors determine 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 Directors are responsible for assessing the Company'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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 those 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 than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, 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 the Company's internal control.

\* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

\* Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

\* Evaluate the overall presentation, 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 Directors 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.

#### Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Schedule 5 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2020, 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 Company, in so far as it appears from our examination of those books; and
- the Company's statements of financial position, statement of profit or loss and other comprehensive income are in agreement with the books of account;



Sayo Elumaro, FCA  
FRC/2012/ICAN/0000000139

For: Ernst & Young  
Lagos, Nigeria

Date: 15 March 2021

