

2019 Financial Statements

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2019

	2019 N'000	2018 N'000
ASSETS		
Current assets		
Cash and cash equivalent	3,262,176	469,560
Investment securities	6,493,412	8,818,064
Other assets	1,162,982	1,330,319
Deferred tax assets	37,906	75,550
	<u>10,956,476</u>	<u>10,693,493</u>
Non-Current assets		
Property and equipment	148,332	204,260
Intangible asset	120,323	40,822
	<u>268,655</u>	<u>245,082</u>
Total assets	11,225,131	10,938,575
EQUITY AND LIABILITIES		
Equity		
Share Capital	2,000,000	2,000,000
Retained earnings	3,260,147	3,087,697
Total equity	5,260,147	5,087,697
Current Liabilities		
Trade and other payables	769,735	1,130,025
Dividend payable	3,600,000	3,340,000
Current tax liabilities	1,582,397	1,359,840
	<u>5,952,132</u>	<u>5,829,865</u>
Non-Current Liabilities		
Deferred tax Liabilities	12,852	21,013
Total equity and liabilities	11,225,131	10,938,575
Pension assets under custody	2,452,913,846	2,058,014,024

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2019

	2019 N'000	2018 N'000
Custody fee	5,221,137	5,466,506
Interest income	1,246,812	1,219,634
Other income	371,907	3,801
Total income	6,839,856	6,689,941
Personnel expenses	(513,039)	(614,127)
Impairment write-back/ (Loss)	24,597	(24,549)
Other operating expenses	(826,267)	(737,870)
Total expenses	(1,314,709)	(1,376,546)
Profit before taxation	5,525,147	5,313,395
Income tax expense	(1,752,697)	(1,383,944)
Profit after taxation	3,772,450	3,929,451
Total comprehensive income for the year	3,772,450	3,929,451
Basic earnings per share (kobo)	189	196

INDEPENDENT AUDITOR'S REPORT To the Shareholders of UBA Pensions Custodian Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UBA Pensions Custodian Limited which comprise the statement of financial position as at 31 December 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of UBA Pensions Custodian Limited as at 31 December 2019, and the financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies and Allied Matters Act CAP C20 LFN 2004, the Financial Reporting Council of Nigeria Act 2011, Pension Reform Act 2014 and National Pension Commission guidelines.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of the Institute of Chartered Accountants of Nigeria Professional Code of Conduct and Guide for Accountants (ICAN Code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the ICAN Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. The ICAN Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). 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 Directors' report and Audit Committee's reports, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements do 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.

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if 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 Directors on the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004, Financial Reporting Council Act, 2011, Pension Reforms Act 2014 and PenCom guidelines and for such internal control as the directors determine 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 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.

Auditor's Responsibilities for the Audit of the Entity's 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 auditor's 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 judgment and maintain professional scepticism 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 relating 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the company's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee and 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 identified during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of Companies and Allied Matters Act CAP C20 LFC 2004 we expressly state that:

- We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- The Company has kept proper books of account, so far as appears from our examination of those books.
- The Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

Yodetayo

For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
5 May, 2020


Engagement Partner: Yetunde Odetayo, FCA
FRC/2013/ICAN/0000000823



The financial statements were approved by the Board of Directors on 27 March 2020 and signed on its behalf by:



VICTOR OSADOLOR
Chairman
FRC/2016/ICAN/00000013923



BAYO YUSUF
MD/CEO
FRC/2015/CIIN/00000010809



RASHIDAH ADEKOLA
Chief Finance Officer
FRC/2012/ICAN/00000000269