


**Statement of financial position
As at 31 December 2016**

	DECEMBER 2016 N000	DECEMBER 2015 N000
ASSETS		
Property and equipment	1,545,433	1,607,500
Intangible assets	196,212	155,283
Investment securities	2,016,750	3,218,647
Non-current assets	3,758,395	4,981,430
Trade and other receivables	784,400	794,517
Prepayments	292,556	220,095
Cash and cash equivalents	1,500,673	797,294
Current assets	<u>2,577,629</u>	<u>1,811,906</u>
Total Assets	<u>6,336,024</u>	<u>6,793,336</u>
LIABILITIES		
Deferred tax liabilities	207,724	262,552
Non-current liabilities	207,724	262,552
Current tax liabilities	1,059,948	1,738,698
Other creditors and accrued expenses	374,082	392,782
Defined contribution liability	-	1,688
Current liabilities	<u>1,434,030</u>	<u>2,133,168</u>
Total Liabilities	<u>1,641,754</u>	<u>2,395,720</u>
EQUITY		
Share capital	657,127	657,127
Share premium	97,162	97,162
Statutory reserve	1,236,061	978,330
Fair value reserve	(197,075)	(72,705)
Treasury shares reserve	(681)	(2,545)
Capital reserve	5,514	-
Retained earnings	2,896,162	2,740,247
Total Equity	<u>4,694,270</u>	<u>4,397,616</u>
Total Equity and Liabilities	<u>6,336,024</u>	<u>6,793,336</u>

Statement of profit or loss and other comprehensive income

	DECEMBER 2016 N000	DECEMBER 2015 N000
For the year ended 31 December		
Fee income	5,683,689	5,382,297
Interest income	608,508	591,952
Revenue	<u>6,292,197</u>	<u>5,974,249</u>
Staff costs and allowances	(1,545,301)	(1,530,478)
Depreciation and amortisation charge	(331,871)	(227,803)
Impairment	(5,583)	-
Other operating expenses	(1,524,778)	(1,326,909)
Expenses	<u>(3,407,533)</u>	<u>(3,085,190)</u>
Results from operating activities	<u>2,884,664</u>	<u>2,889,059</u>
Other income	21,025	13,980
Profit before tax	<u>2,905,689</u>	<u>2,903,039</u>
Income tax expense	(753,887)	(833,979)
Profit for the year	<u>2,151,802</u>	<u>2,069,060</u>
Other Comprehensive Income		
<i>Items that are or may be reclassified subsequently to profit or loss</i>		
<i>Movement in fair value reserve (available-for-sale financial assets):</i>		
Net change in fair value	(155,407)	68,434
Reclassified to profit or loss	31,037	-
Related tax	-	-
Other comprehensive income, net of tax	<u>(124,370)</u>	<u>68,434</u>
Total comprehensive income	<u>2,027,432</u>	<u>2,137,494</u>
Profit attributable to:		
Owners of the Company	2,151,802	2,069,060
Total comprehensive income attributable to:		
Owners of the Company	<u>2,027,432</u>	<u>2,137,494</u>
Earnings per share		
Basic and diluted earnings per share (kobo)	328	316

The financial statements were authorised for issue by the Board of Directors on the 28 March 2017 and were signed on its behalf by:

Aliyu A. Dikko
Chairman
FRC/2013/IOD/0000002375

Wilson Ideva
Managing Director
FRC/2013/ICAN/0000002210

Peter A. Okoye
Chief Financial Officer
FRC/2014/ICAN/00000008959

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Premium Pension Limited

Report on the Audit of the Financial Statements
Opinion

We have audited the financial statements of Premium Pension Limited (the Company), which comprise the statement of financial position as at 31 December, 2016, 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 a summary of significant accounting policies and other explanatory information, as set out on pages 20 to 48.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December, 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, the Financial Reporting Council of Nigeria Act, 2011, the Pension Reform Act 2014 and the National Pension Commission (PENCOM) 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 International 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 Directors are responsible for the other information. The other information comprises the corporate information, corporate governance report, chairman's statement, directors' report, statement of directors' responsibilities and other national disclosures included in the annual report, but does not include the financial statements and our audit report thereon.

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 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 of financial statements that give a true and fair view in accordance with IFRSs and in the manner required by the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 Nigeria and the Financial Reporting Council of Nigeria Act, 2011, the Pension Reform Act 2014 and the National Pension Commission (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 has no realistic alternative but to do so.

Auditor's 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 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 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 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 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 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 Audit Committee 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Ayodele H. Othiwiwa, FCA
FRC/2012/ICAN/0000000425
For: KPMG Professional Services
Chartered Accountants
31 March 2017
Lagos, Nigeria

