



NICO  
Pension

associated with Sanlam group

# NICO UFULU PENSION FUND SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

PRESERVE YOUR  
RETIREMENT  
BENEFITS



## SUMMARY STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

### INCOME

Pension contributions	39,914	36,544
Investment return	38,269	23,691
<b>Total income</b>	<b>78,183</b>	<b>60,235</b>

### EXPENDITURE

Management expenses	(3,604)	(2,127)
<b>Net income</b>	<b>74,579</b>	<b>58,108</b>

### PAYMENTS TO MEMBERS

Pension refunds	(11,903)	(6,295)
Commutation of pensions	(7,380)	(8,372)
Gratuity, minors benefits and other	(6,047)	(4,083)
Total payments to members	(25,330)	(18,750)

<b>Increase in net assets available for benefits for the year</b>	<b>49,249</b>	<b>39,358</b>
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## SUMMARY STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

### FUNDS EMPLOYED

General fund account	304,578	255,329
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### NON CURRENT ASSETS

Investment	305,202	255,353
<b>Total non current assets</b>	<b>305,202</b>	<b>255,353</b>

### CURRENT ASSETS

Sundry debtors	138	112
Taxation recoverable	19	11
Bank balances	1,892	2,517
<b>Total current assets</b>	<b>2,049</b>	<b>2,640</b>
<b>Total assets</b>	<b>307,251</b>	<b>257,993</b>

### LIABILITIES

Amount due to related party	(704)	(1,166)
Payables and accruals	(1,969)	(1,498)
<b>Total liabilities</b>	<b>(2,673)</b>	<b>(2,664)</b>
<b>Total net assets available for benefits</b>	<b>304,578</b>	<b>255,329</b>

## SUMMARY STATEMENT OF MOVEMENT IN FUND ACCOUNT

At the beginning of the year	255,329	215,971
Net increase in net assets available for benefits for the year	49,249	39,358
<b>At the end of the year</b>	<b>304,578</b>	<b>255,329</b>

## SUMMARY STATEMENT OF CASH FLOWS

Increase in net assets available for benefits	49,249	39,358
Movement in receivables	(25)	(107)
Movement in payables	7	2,043
<b>Cash generated from operations</b>	<b>49,231</b>	<b>41,294</b>
Tax paid	(8)	(8)
<b>Net cashflow generated from operating activities</b>	<b>49,223</b>	<b>41,286</b>
<b>Cashflow from investing activities</b>		
Increase in investment	(49,848)	(40,363)
<b>Net cash used in investing activities</b>	<b>(49,848)</b>	<b>(40,363)</b>
Net change in cash and cash equivalents	(625)	923
Cash and cash equivalents at the beginning of the year	2,517	1,594
<b>Cash and cash equivalents at the end of the year</b>	<b>1,892</b>	<b>2,517</b>

## INTRODUCTION

NICO Ufulu Pension Fund is a pooled retirement plan for individuals, employed and self-employed where pension funds are invested collectively. It is a defined contribution pension fund set up by a definitive trust deed. NICO Pension Services Limited is a registered Corporate Trustee for the fund.

## BASIS OF PREPARATION

The Trustee has prepared summary financial statements to comply with and meet the requirements of the Financial Services Act, 2010. The Trustee has considered the requirements of the Financial Services Act, 2010 and believes that the summary statements of changes in net assets available for benefits, net assets available for benefits, movement in fund account and cash flows are sufficient to meet the requirements of the users of the summary financial statements.

The summary financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards.

The summary financial statements have been derived from the annual audited financial statements which were approved by the Trustee on 22nd March 2022.

## PERFORMANCE

Total income was at MK78.2 billion as compared to MK60.2 billion in 2020 representing growth of 30%. Increase in net assets available for benefits was MK49.2 billion against MK39.4 billion for the previous year representing an increase of 25%. The favorable variance is attributed to good investment returns resulting from good performance on the stock market and money market. Total fund grew to MK304.5 billion as at 31 December 2021 from the fund balance of MK255.3 billion in 2020 representing growth of 19.3%. COVID-19 continued to impact the business in 2021. The year also saw some weather related environmental disruptions. Notwithstanding the difficulties encountered during the year, management ensured that quality of service was not compromised.

## INVESTMENT RETURN

The trustee has declared the final bonus of 14% for the year 2021 as compared to 9.07% in 2020 and is 4.93% higher than the average closing inflation of 9.3% as at 31 December 2021.

## BY ORDER OF THE BOARD

  
**Vizenge M. Kumwenda**  
Chairman

  
**Gerald Chima**  
General Manager

22 April, 2022

## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To members of NICO Ufulu Pension Fund.

## OPINION

The summary financial statements of NICO Ufulu Pension Fund, which comprise the summary statement of net assets available for benefits as at 31 December 2021, the summary statement of changes in net assets available for benefits, the summary statement of movement in fund account and the summary statement of cash flows for the year then ended, are derived from the audited financial statements of NICO Ufulu Pension Fund for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements of NICO Ufulu Pension Fund, and on the basis described in the "basis of preparation paragraph".

## SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

## THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial statements in our report dated 31 March 2022.

## TRUSTEE'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

The trustee is responsible for the preparation of the summary financial statements in accordance with the basis described in the basis of preparation paragraph.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing ISA 810 (Revised), *Engagements to Report on Summary Financial Statements*.

**Deloitte.**

Chartered Accountants  
Madalo Mwenelupembe  
Partner

22 April 2022

