



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

	31-Dec-20 K'm	31-Dec-19 K'm
INCOME		
Pension contributions	36,544	32,246
Investment return	23,691	23,753
Total income	60,235	55,999
EXPENDITURE		
Management expenses	(2,127)	(1,130)
Net income	58,108	54,869
PAYMENTS TO MEMBERS		
Pension refunds	(6,295)	(5,491)
Commutation of pensions	(8,372)	(6,589)
Gratuity, minors benefits and other	(4,083)	(2,414)
Total payments to members	(18,750)	(14,494)
Increase in net assets available for benefits for the year	39,358	40,375

**SUMMARY STATEMENT OF NET
ASSETS AVAILABLE FOR BENEFITS**

	31-Dec-20 K'm	31-Dec-19 K'm
FUNDS EMPLOYED		
General fund account	255,328	215,970
NON CURRENT ASSETS		
Investment	255,353	214,990
Total non current assets	255,353	214,990
CURRENT ASSETS		
Sundry debtors	112	-
Taxation recoverable	11	3
Bank balances	2,517	1,599
Amounts due from related party	-	4
Total current assets	2,640	1,606
Total assets	257,993	216,596
LIABILITIES		
Bank overdraft	-	(4)
Amount due to related party	(1,166)	-
Payables and accruals	(1,499)	(622)
Total liabilities	(2,665)	(626)
Total net assets available for benefits	255,328	215,970

**SUMMARY STATEMENT OF
MOVEMENT IN FUND ACCOUNT**

	31-Dec-20 K'm	31-Dec-19 K'm
At the beginning of the year	215,970	175,595
Increase in net assets available for benefits for the year	39,358	40,375
At the end of the year	255,328	215,970

**SUMMARY STATEMENT
OF CASH FLOWS**

	31-Dec-20 K'm	31-Dec-19 K'm
Increase in net assets available for benefits	39,358	40,375
Movement in receivables	(107)	(4)
Movement in payables	2,043	460
Cash generated from operations	41,294	40,831
Tax paid	(8)	(3)
Net cashflow generated from operating activities	41,286	40,828
Cash flow from investing activities		
Increase in investment in guaranteed fund	(40,363)	(39,234)
Net cash used in investing activities	(40,363)	(39,234)
Net change in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	1,594	-
Cash and cash equivalents at the end of the year	2,517	1,594

INTRODUCTION

NICO Unrestricted Pension Fund is a pooled retirement plan for individuals, self-employed and employers where they have 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 the summary financial statements to comply and meet the requirements of the Financial Services Act, 2010. The Trustee has considered the requirements of the Financial Services Act, 2010 and believe that the summary statements of net assets available for benefits, changes in 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 23 March 2021.

PERFORMANCE

Total income was at MK60.2 billion as compared to MK55.9 billion in 2019 representing growth of 7.7%. Increase in net assets available for benefits was MK39.3 billion against MK40.3 billion for the previous year representing a decrease of 2.5%. The decrease is attributed to high claims experienced during the year. Total fund grew to MK255.3 billion as at 31 December 2020 from the fund balance of MK215.9 billion in 2019 representing growth of 18.2%. During the year there had been a surge in COVID-19 cases in the country and the operations of the fund were affected.

INVESTMENT RETURN

The 2020 interim bonus was 6.0%. The final approved bonus was 9.4% and is 0.4% higher than the average closing inflation of 9.0% as at 31 December 2020.

BY ORDER OF THE BOARD


Vizege M. Kumwenda
Chairman
28th April, 2021


Gerald Chima
General Manager

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the members of NICO Unrestricted Pension Fund.

OPINION

The summary financial statements of NICO Unrestricted Pension Fund, which comprise the summary statement on net assets available for benefits as at 31 December 2020, the summary statements 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 Unrestricted Pension Fund for the year ended 31 December, 2020.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements of NICO Unrestricted 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 2021.

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 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Deloitte

Chartered Accountants
Madalo Mwenelupembe
Partner

28th April 2021

