



# NATIONAL PENSION COMMISSION

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## NATIONAL PENSION COMMISSION

### BALANCE SHEET AS AT 31 DECEMBER, 2006

|   | Note | 2006<br>N                    | 2005<br>N                    |
|---|------|------------------------------|------------------------------|
| <b>Assets employed</b>  |      |                              |                              |
| Fixed assets  | 7    | 130,449,342                  | 108,755,505                  |
| Capital work in progress  | 8    | 350,000,000                  | -                            |
|   |      | <u>480,449,342</u>           | <u>108,755,505</u>           |
| <b>Current assets</b>   |      |                              |                              |
| Debtors and prepayment  | 9    | 142,051,648                  | 68,681,143                   |
| Bank and cash   | 10   | 90,614,976                   | 700,448,431                  |
|   |      | <u>232,666,624</u>           | <u>769,129,574</u>           |
| <b>Current liabilities</b>  |      |                              |                              |
| <b>Amounts falling due within one year</b>  |      |                              |                              |
| Creditors   | 11   | 11,354,093                   | 32,349,390                   |
| Staff retirement benefits   | 12   | 12,850,884                   | 15,738,009                   |
|   |      | <u>24,204,977</u>            | <u>48,087,399</u>            |
| <b>Net current assets</b>   |      | <u>208,461,648</u>           | <u>721,042,175</u>           |
| <b>Total assets less current liabilities</b>  |      | <u><b>688,910,990</b></u>    | <u><b>829,797,680</b></u>    |
| <b>Financed by:</b>   |      |                              |                              |
| Accumulated fund  | 13   | 253,935,138                  | 394,821,828                  |
| Capital grant   | 14   | 434,975,852                  | 434,975,852                  |
|   |      | <u><b>688,910,990</b></u>    | <u><b>829,797,680</b></u>    |
| <b>Contingent assets/liabilities</b>  |      |                              |                              |
| Contingent liabilities and other obligations on behalf of Federal Government of Nigeria and its employees | 16   | <u><b>55,372,634,080</b></u> | <u><b>53,114,283,316</b></u> |

The financial statements on pages 2 to 13 were approved by the Board of the Commission on \_\_\_\_\_ and signed on its behalf by:

  
Chairman

  
Director-General

## REPORT OF THE INDEPENDENT AUDITORS

### TO MEMBERS OF NATIONAL PENSION COMMISSION

#### Report on the financial statements

We have audited the financial statements of National Pension Commission, as at 31 December 2006 set out on pages 2 to 12 which have been prepared on the basis of the significant accounting policies on pages 2 and 3, and other explanatory notes on pages 7 to 11.

#### Commissions' responsibility for the financial statements

The Commission is responsible for the preparation and fair presentation of these financial statements in accordance with Section 25 of the Pension Reform Act, 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment on risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors' consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Commission, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the Commission has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by Section 25 of the Pension Reform Act 2004. The financial statements give a true and fair view of the financial position of Pension Commission as at 31 December, 2006, and of its financial performance and its cash flows for the year then ended in accordance with Section 25 of the Pension Reform Act, 2004.

  
Chartered Accountants  
Abuja, Nigeria  
19 June, 2007



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