



National Pension Commission

Annual Report

2009

NATIONAL PENSION COMMISSION

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Corporate

Vision



To be a world-class organisation that ensures the prompt payment of retirement benefits and promotes a sustainable pension industry that positively impacts on the economic development of Nigeria

Mission

Statement

To be an effective regulator and supervisor that ensures the safety of pension assets and fair return on investment utilising appropriate technology, with highly skilled and motivated staff

MEMBERS OF THE BOARD



Chief Oluwale A. Adeosun, FCA, OON
Chairman



Mr. Muhammad K. Ahmad
Director General



Mr. Plus N. Akubueze
Commissioner (Finance & Investment)



Miss Eyamba T. Henshaw
Commissioner (Technical)



Dr. Musa A. Ibrahim
Commissioner (Inspectorate)



Mr. Manzuma T. Mamman
Commissioner (Administration)

MEMBERS



Alhaji Ali Abatcha
Nigeria Union of Pensioners



Dr. Sani Teldi Shuaibu
Office of Head of Service of the Fed.



Lawal Sani Stores
Securities & Exchange Commission



Mr. Ivor Takor
Nigeria Labour Congress



Mr. C. D. Gali
Federal Ministry of Finance



Mr. Segun Oshinowo
Nigeria Employers Consultative Association



P. A. H. Ataman
Central Bank of Nigeria



Chinelo Anohu-Amazu
Commission Sec. Legal Adviser

EXECUTIVE COMMITTEE MEMBERS



Mr. Muhammad K. Ahmad
Director General



Mr. Pius N. Akubueze
Commissioner (Finance & Investment)



Miss Eyamba T. Henshaw
Commissioner (Technical)



Dr. Musa A. Ibrahim
Commissioner (Inspectorate)

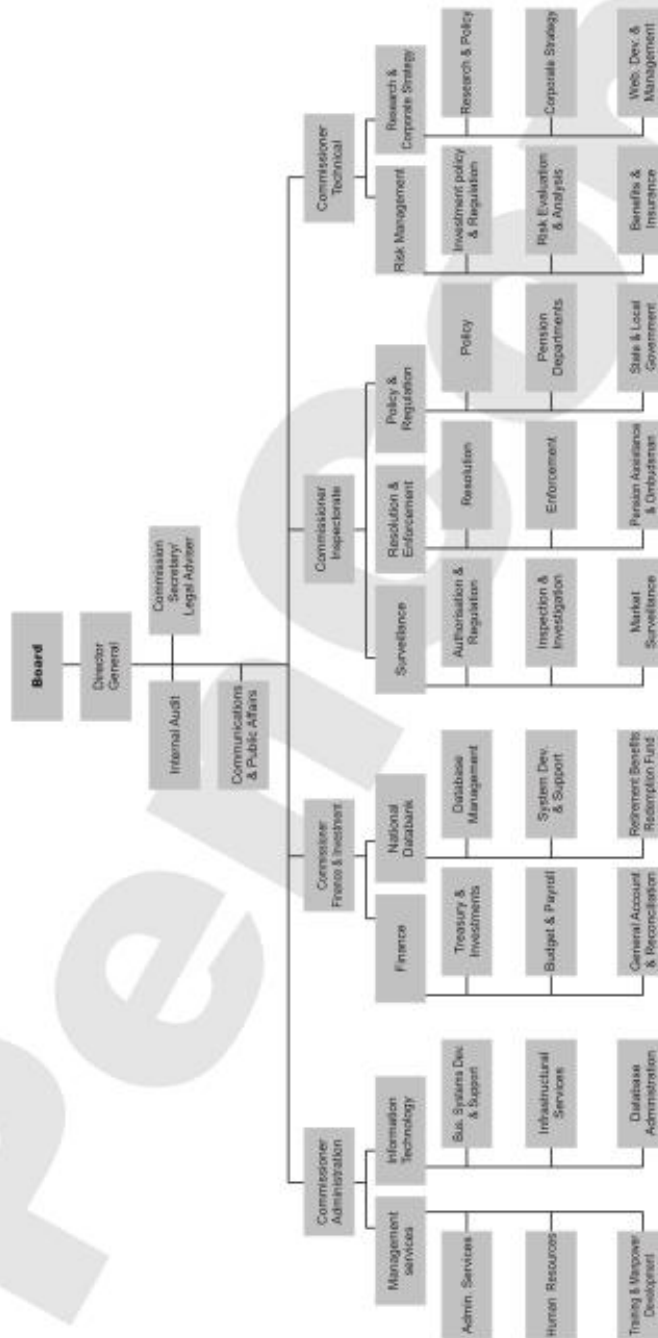


Mr. Manzuma T. Mamman
Commissioner (Administration)

MANAGEMENT CONSULTATIVE COMMITTEE MEMBERS

Mr. Muhammad K. Ahmad	Director General
Mr. Pius N. Akubueze	Commissioner (Finance & Investment)
Miss Eyamba T. Henshaw	Commissioner (Technical)
Dr. Musa A. Ibrahim	Commissioner (Inspectorate)
Mr. Manzuma T. Mamman	Commissioner (Administration)
Mrs. Chinelo Anohu-Amazu	Commission Secretary/Legal Adviser
Mrs. Aisha I. Mustafa	Head (Management Services Department)
Mr. Inuwa O. Iyodo	Head (Finance Department)
Mr. Muhammad B. Umar	Head (Resolution & Enforcement Department)
Mrs. Grace E. Usoro	Head (Policy & Regulation Department)
Mr. Muhammad Y. Datti	Head (Surveillance Department)
Mr. Moses O. Loyinmi	Head (Risk Management Department)
Mrs. Ekanem B. Aikhomu	Head (National Databank Department)
Dr. Umaru F. Aminu	Head (Research and Corporate Strategy Department)
Dr. Dan Ndackson	Ag. Head (Information Technology Department)
Dr. Babayo K. Ardo	Ag. Head (Communications & Public Affairs Department)
Mr. Nickolas Z. Mbajwa	Ag. Head (Internal Audit Department)

ORGANISATIONAL STRUCTURE



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CHAIRMAN'S STATEMENT

I am pleased to present the annual report and statement of account of the National Pension Commission (PenCom) for the year ended 31 December, 2009. The report reviews important developments in the pension industry, highlights the activities of PenCom and above all provides information on the industry during the year under review.



Chief Oluwole A. Adeosun, FCA, OON

PenCom as the apex authority in the pension industry is saddled with the responsibility of regulating and supervising the new pension industry, had worked tirelessly to ensure prompt payment of retirement benefits as well as promoting a vibrant and sustainable pension industry that will positively impact on the economic development of our dear nation, Nigeria.

As in the previous years, PenCom's regulatory and supervisory activities in 2009 were risk-based, consultative and covered all activities of the Commission with particular emphasis on issuance of guidelines and regulations; surveillance of licensed operators; compliance and enforcement; supervision of investment of pension funds assets; and maintenance of databank on pension matters. At this juncture, I would like to share with you some of our major achievements during the year under review as well as the challenges for 2010.

The Commission had issued guidelines and regulations to further guide operations within the pension industry so as to entrench sound corporate governance in the activities of pension fund operators. The guidelines and regulations issued in 2009 include; Risk Management Framework for Licensed Pension Operators; Guidelines for the Operation of Pension Transitional Arrangement Departments; Regulations for Auditing of Pension Funds; Regulation for Compliance Officers as well as Regulation on Annuity which was jointly issued with National Insurance Commission (NAICOM) and the Framework for Supervision of State and Local Government Pension.

In an effort to intensify the campaign for compliance in the year under review, various strategies were embarked upon to ensure compliance with the provisions of the Pension Reform Act (PRA) 2004 by both private and self-funded public sector organizations. The strategies included on-site inspection of employers, collaboration with regulatory and professional bodies, dispatching compliance letters to non-compliant organizations, public enlightenment campaigns and application of regimes of sanctions.

The development of Accounting Standards for the Pension Industry with the assistance of the Nigerian Accounting Standard Board (NASB) continued to be pursued with vigour by the Commission in 2009 and it is expected that the exercise shall be concluded in 2010.

The year under review had thrown up several challenges to the pension industry, especially on pension fund investments, against the financial meltdown experienced in 2008. PenCom ensured the safety, sound management and growth of pension assets in spite of the prevailing harsh global financial climate. The Commission continued to keep tab on the macroeconomic fundamentals such as the Nigerian stock, bond, money and annuity markets and the reforms in the banking sector.

The Commission continued to coordinate the development of a comprehensive corporate strategy plan that commenced in the previous year. The developmental stage for the strategic plan was successfully concluded. New Departments have been created with their structures, objective, responsibilities for the Heads of Department and various Units under each Department including their manning levels clearly spelt out.

PenCom also continued to collaborate with other Government Agencies in discharging its mandate, such as the Financial Services Regulatory Coordinating Committee (FRSC), Bureau of Public Procurement (BPP) and the Presidential Committee on Affordable Housing, Bond Market Steering Committee. In addition, the support of the BPP was obtained to ensure that any supplier, contractor or consultant bidding or soliciting contract or business from any Federal Government MDA must fulfil its obligations with respect to pensions and complied with the provisions of the PRA 2004 as required under section 16(6) (d) of the Public Procurement Act 2007.

Collaborative activities were carried out in conjunction with sister regulatory agencies such as the Central Bank of Nigeria (CBN), Securities and Exchange Commission (SEC) and National Insurance Commission (NAICOM). In order to implement the provisions of Section 4(1)(b) of the PRA 2004, the Commission in collaboration with the National Insurance Commission (NAICOM) jointly issued the Regulation on Annuity as one of the means of expanding the number of retirement products available to retirees. Thus, while it is the mandate of NAICOM to regulate the annuity market, it is the responsibility of the Pencom to ensure that the modalities for the administration of retirement benefits in respect of life annuity are strictly followed to guarantee payments of retirement benefits as and when due. After due consultations with the Commission, NAICOM has licensed 26 life insurance companies to carry out annuity business in Nigeria.

The year 2009 was the most challenging for the industry since the commencement of the New Pension Scheme in July 2004 against the global financial meltdown that adversely affected investment climate in the capital and money markets. That the pension industry in Nigeria was able to successfully navigate and weather through the storm is testamentary to the robust regulatory philosophy of the Commission. Buoyed by these modest breakthroughs, the Commission with all its stakeholders deemed it appropriate to initiate the process of the review of the PRA 2004 and thus convened a Conference on the Act in May 2009.

I therefore recommend this report to all stakeholders and operators of the pension industry, captains of industry, the academia and those interested in the welfare of the Nigeria workers and the growth of our economy.

In conclusion, I would like to use this medium to express my appreciation and gratitude to the Director-General, Executive Committee, other members of the Board, Management and indeed all staff of PenCom for their dedication to duty and wonderful performance during the period under review. I would like to assure the Management and the Staff of the Commission that the Board would continue to provide a conducive atmosphere for the staff to put in their best for the Commission and the industry as a whole.



Chief Oluwale A. Adeosun, OON, FCA
Chairman

DIRECTOR GENERAL'S REPORT

I am delighted to highlight the developments in the Nigerian Pension Industry and the activities of the National Pension Commission (PenCom) for the year ended December 31, 2009.

The Pension Industry

The pension industry has continued to witness a steady growth in number of areas. There was an increase of 15.7 percent in the number of registered RSAs compared to 3,467,857 RSAs registered in 2008. The memberships of CPFA and AES increased slightly by 2.5 percent and 0.9 percent respectively. The public sector maintained the highest number of registered employees. However, the rate of compliance and hence RSA registration by the private sector employees continued to increase during the year. The number of private sector employees that opened RSAs increased by 30.2 percent from the 1,266,519 registered in 2008. Similarly, the number of private sector employers that complied with the provisions of PRA had increased by 5.1 percent. This could be attributed to the efforts by PenCom during the year under review in ensuring that all eligible employers implement the CPS.

During the period under review, the total pension fund assets grew from N1,098.99 billion by the end of 2008 to N1,529.63 billion as at 31 December, 2009, which represented an increase of 39 percent. The unaudited valuation of the RSA funds showed an increase of 59 percent from N471.77 billion as at 31 December 2008. Monthly contributions by RSA holders averaged N11.43 billion for public sector contributors while the average monthly contributions by the private sector contributors averaged N7.60 billion, which represented increases of 38.17 percent and 12.94 percent respectively.

CPFA assets had grown by 48 percent from N294.61 billion in 2008. Similarly, the value of the AES assets grew by about 5 percent from N332.61 billion in 2008. Growth by these two schemes was mainly due to capital injection by the scheme sponsors and returns on investments.

In February 2009, RSA Retiree Fund was introduced, which marked an effective separation of the pension assets of the active RSA members from the assets of retirees. The main reason was to keep the Retiree Fund in fixed income securities in order to preserve their capital and insulate the assets from volatilities of the market.

The Nigeria capital market continued to react to the global financial crises as witnessed in heightened volatility and sharp fluctuations in share price index and stock values of quoted companies on the stock exchange. The fluctuations demonstrated weak performance of the capital market as the values of the All Share Index (ASI) continued on the downward trend. This caused pension funds to continue to invest in asset classes other than quoted equities in their portfolios.

The bond market provided the safe alternative vehicle for investing pension funds because of the negligible impact of any long-term effect of financial or economic crisis on this investment vehicle. However, the double digit rate of inflation may have negative consequential effect on its real rate of return. An important lesson for pension funds in this respect would be to start soliciting for inflation-indexed bonds.



Mr. Muhammad K. Ahmad
Director General

The banking sector witnessed another round of reform in 2009. A performance improvement in money market was noticed in the downward movement of the daily interbank call rates. However, the average yields on Treasury Bills were actually negative in real terms when compared with the inflation rate of 12.4 percent in the fourth quarter of 2009. This was a big challenge to pension fund investment due to the high likelihood of recording negative real rate of return. The promotion of strong corporate governance and better risk management culture in banks and the provision of intervention funds would contribute to the stability of the banking system and the pension industry.

Regulatory and Supervisory Framework

The risk-based supervisory approach enabled tremendous successes to be recorded by PenCom particularly in its surveillance activities. In this regard, both on-site examination and off-site inspection of licensed operators were conducted in line with the risk-based supervision principles. The examination included an assessment of the organizational structure, financial viability and governance/management of the company. Operators were apprised of identified risks and were supported in the measures adopted to mitigate the risks.

The Commission had continued to collaborate with other agencies towards the development of corporate bond market and new investment vehicles that would improve investment returns. Similarly, plans were underway to introduce multi-funds and allow foreign investments by pension funds. In order to ensure successful implementation of these programmes, research capabilities would be enhanced in investment and risk management of pension assets.

Similarly, various strategies were implemented to ensure compliance with the PRA 2004 by both private and self-funded public sector organizations. The strategies included public enlightenment, mailing of compliance letters to identified eligible organisations, on-site inspection of employers, collaboration with regulatory and professional bodies and application of regime of sanctions.

PenCom continued to supervise the transfer of NSITF contributions into members' RSAs pursuant to the provisions of Section 42 of the PRA 2004. PenCom also coordinated the regular consultative meetings with pension operators in line with its consultative philosophy in policy making.

Also, during the year under review, maiden inspection was conducted on the Civil Service Pension Department. Similarly, the computation of pension increases by the six Pension Departments were reviewed and findings of the review were forwarded to the Office of the Secretary to the Government of the Federation (OSGF). PenCom also jointly with the Budget Office of the Federation (BOF), Office of the Accountant General of the Federation (OAGF) and Office of the Auditor General of the Federation (OAuGF) commenced the process of resolving the problems of the Unified Pension Scheme. In this regard, the pensioners of 145 Parastatals were verified, validated and paid their benefits under the Parastatals' Pensioners Verification Exercise.

A framework for the supervision of pension schemes operated by states had been developed and being implemented. Fourteen State Governments had commenced the implementation of the CPS while ten others had drafted pension bills that were

reviewed by PenCom to ensure compliance with the provisions of the PRA 2004. As part of its supervisory responsibilities, PenCom visited 12 of the 14 states that commenced the implementation of the CPS to ascertain their levels of implementation. Two of these states had opened Retirement Benefit Bond Redemption Fund Accounts with the CBN to fund the pension liabilities that accrued under their defunct pension schemes.

These achievements notwithstanding, there were challenges that arose largely because of the need to ensure safety in the industry, fair returns on investment and enforcement of compliance with the PRA 2004 and regulations issued by PenCom.

Other Activities of PenCom

PenCom continued to collaborate with its stakeholders, social partners and other regulatory agencies to advance the frontiers of the pension reform. To that effect, a National Conference on the Review of the Implementation of the Pension Reform was jointly organised by PenCom and the National Assembly during the year under review. The conference provided a platform for a comprehensive review of the implementation of the PRA 2004, and obtaining input from stakeholders towards enhancing the implementation of the pension reform.

Future Outlook

The future of the pension industry depends on the collective efforts of Government and other stakeholders in terms of consistent policies that would create an enabling environment for pension fund assets to create value for the contributors and the Nigerian economy. PenCom would enhance the risk-based supervisory framework to ensure the safety of not only the pension assets but the industry at large. Dynamic investment monitoring procedures would be introduced to focus on risk issues as they affect the investment portfolios of the pension funds.

A database of working population would be established to ensure that employers covered by the CPS are implementing the scheme for their employees. Efforts would be made to promote informal sector participation in the Scheme. In this regard, incentives would be worked out for the employees in the sector and relevant agencies of Government would be contacted to provide all the necessary support needed to ensure compliance by the sector. Compliance levels are therefore expected to improve due to the renewed efforts by the Commission and the support of the various tiers of government. Consequently, the number of contributors and hence the size of contributions would increase. Thus, more funds would be available for payment of retirement benefits as well as investment and national development. PenCom would continue to work with other regulatory agencies to ensure the development of alternative investment securities for pension funds. Particular attention would be given to the development of corporate bond market and introduction of multi-funds. In order to ensure successful implementation of these programmes, research capabilities would be enhanced in investment and risk management.

The capacity of the industry to achieve maximum efficiency would be developed and intensive enlightenment campaigns to further improve the level of understanding of the reform and achieve full compliance would be undertaken.

Appreciation

In conclusion, I would like to thank the Chairman of the Commission, Chief Oluwale Alani Adeosun, OON, FCA and the entire Members of the Board for their valuable contributions, especially in the area of policy formulation for the industry during the year under review. I also wish to acknowledge the outstanding contributions of my colleagues in the Executive Committee, the Management and the entire Staff of the Commission in achieving the modest success recorded in 2009. Finally, I implore us to rededicate ourselves in ensuring the safety and the soundness of the pension industry.



Muhammad K. Ahmad
Director General

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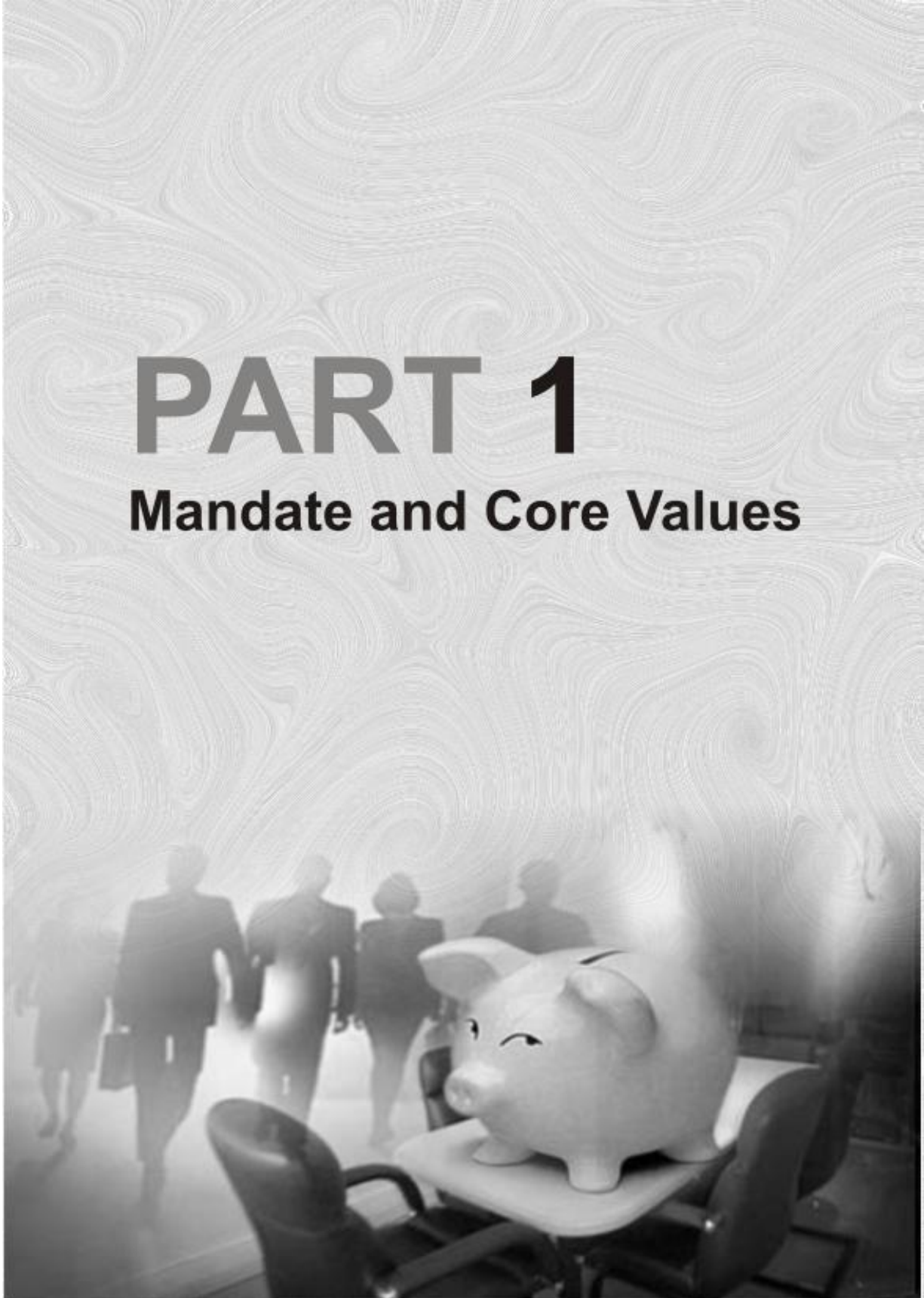
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LIST OF ABBREVIATIONS AND ACRONYMS

AES	Approved Existing Scheme
AFIS	Automated Fingerprint Identification System
ASI	All Share Index
BOI	Board of Inquiry
BPP	Bureau for Public Procurement
CBN	Central Bank of Nigeria
CIPMN	Chartered Institute of Personnel Management of Nigeria
CPFA	Closed Pension Fund Administrator
CPS	Contributory Pension Scheme
CRS	Contributor Registration System
DMO	Debt Management Office
EXCO	Executive Committee
FGN	Federal Republic of Nigeria
FSRCC	Financial Services Regulation Coordinating Committee
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IOPS	International Organisation of Pension Supervisors
ISSA	International Social Security Association
MCC	Management Consultative Committee
MDA	Ministries, Departments and Agencies
NAICOM	National Insurance Commission
NASB	Nigerian Accounting Standards Board
NBS	National Bureau of Statistics
NDIC	Nigeria Deposit Insurance Corporation
NECA	Nigeria Employers Consultative Association
NLC	Nigeria Labour Congress
NSE	Nigerian Stock Exchange
OBB	Open Buy-Back
OECD	Organisation for Economic Co-operation and Development
OSGF	Office of Secretary to the Government of the Federation
PenCom	National Pension Commission
PenRRS	Pension Returns Rendition System
PFA	Pension Fund Administrator
PFC	Pension Fund Custodian
PIN	Personal Identification Number
PRA 2004	Pension Reform Act, 2004
PTAD	Pension Transitional Arrangement Departments
RMAS	Risk Management and Analysis System
ROI	Return on Investment
RSA	Retirement Savings Account
SGF	Secretary to the Government of the Federation
SORP	Statement of Recommended Practice

PART 1

Mandate and Core Values



MANDATE AND CORE VALUES

1.0 ORGANIZATIONAL MANDATE

Section 14(1) of the PRA 2004 provides for the establishment of PenCom to "regulate, supervise and ensure the effective administration of pension matters in Nigeria".

1.1 CORE VALUES

The core values of PenCom form an integral part of its people and culture, which are imbibed by its staff to effectively actualise its mandate. The core values emphasize **Transparency, Responsiveness, Integrity, Proactivity and Professionalism (TRIPP)**.

- **Transparency:** In the pursuit of creating a pension industry that is transparent and accountable, PenCom employees are required to maintain the highest ethical standards and create an atmosphere of mutual trust and confidence through openness and clarity in the discharge of their responsibilities.
- **Responsiveness:** The requirement for promptness and efficiency as well as the culture of timeliness and accuracy in service delivery is a cardinal quality of staff of PenCom.
- **Integrity:** Commitment to honesty and dedication are virtues that are a hallmark of all staff of PenCom.
- **Proactivity:** In the commitment to the creation of an anticipatory and change-oriented organisation, PenCom staff are required to possess the ability to act in advance of a future situation, rather than reacting to it.
- **Professionalism:** Staff of PenCom are expected to exhibit a high degree of professionalism in the discharge of their responsibilities. As such, staff must be competent, accountable, respectful, creative and above all, team players.

1.2 Pencom Charter

PenCom adopts a tailored approach in meeting the needs of each class of its stakeholders and hereby ensures the following;

Stakeholder	Promise
Pensioners	<ul style="list-style-type: none"> Timely payment of pension Security of pension assets
Contributors	<ul style="list-style-type: none"> Security of assets Ensure compliance of employers Ensure effective service delivery by operators
Government	<ul style="list-style-type: none"> A safe and sound industry Positive contribution to economic development Contribution to social safety net
PenCom Staff	<ul style="list-style-type: none"> Recognition and reward for good performance Provision of a learning environment, opportunities for career advancement/ development Promotion of team spirit and provision of conducive working environment Provision of effective communication channel
Public	<ul style="list-style-type: none"> Effective communication and enlightenment Responsible corporate citizen Environment friendly organization
Employers	<p>Employers whose staff opened RSAs</p> <ul style="list-style-type: none"> Pro-activity and responsiveness Ensure compliance <p>Employers that maintained their Existing Schemes</p> <ul style="list-style-type: none"> Safety of assets and fair returns on investment Promote effective supervision
Pension Operators	<p>PFAs, CPFAs & PFCs</p> <ul style="list-style-type: none"> Effective and efficient regulation and supervision Prompt regulatory and supervisory intervention on all operators' issues Effective capacity development for the industry <p><i>Insurance and Pension Departments</i></p> <ul style="list-style-type: none"> Continuous collaboration with NAICOM for a flourishing life insurance business Effective supervision of Pension Departments Technical support for both Pension Departments and insurance companies in the implementation of the CPS

PART 2

Corporate Activities



CORPORATE ACTIVITIES

2.1 Regulatory and Supervisory Activities

The regulatory and supervisory activities were risk-based and consultative which covered all activities of PenCom with particular emphasis on issuance of guidelines and regulations; surveillance of licensed operators; compliance and enforcement; supervision of pension fund investments; and maintenance of databank on pension matters.

2.1.1 Issuance of Guidelines and Regulations

Guidelines and Regulations were issued to further guide operations within the pension industry during the year under review. The policy documents are listed hereunder:

- a) *Guidelines for Risk Management Framework for Licensed Pension Operators*: these explained the risk management process under the CPS and outlined the reporting requirements for pension operators. It also outlined the roles and responsibilities of the Board and Senior Management of pension operators in managing pension assets.
- b) *Guidelines for the Operations of Pension Transitional Arrangement Departments (PTADs)*: these set out the structure of the PTADs, their respective functions and the type of books and records they should maintain. The Guidelines also covered issues such as the minimum ICT requirements and the type of returns that PTADs should render to PenCom.
- c) *Regulations for Auditing of Pension Funds*: these addressed issues on the appointment of auditors by pension operators and spelt out the rules for auditing all scheme funds. The Regulations also addressed the modalities for determining and approving audit fees for pension funds.
- d) *Regulations for Compliance Officers*: these spelt out the requirements for the appointment of a Compliance Officer by pension operators and the responsibilities of the Board of Directors and the Compliance Officer. The Regulations also addressed the requirement for the operators to empower the Compliance Officers as stipulated in the PRA 2004.
- e) *Regulation on Annuity*: this was jointly issued with the National Insurance Commission (NAICOM). It provided the necessary background for retirees willing to withdraw their retirement benefits through life annuity as provided in Section 4 (1) (b) of the PRA 2004.
- f) *Framework for Supervision of State and Local Government Pension Schemes*: this set out the implementation processes and supervisory machinery to be adopted in ensuring effective and smooth operations of the Pension Schemes at the State and Local Government levels, and also for supervising the activities of the State Pension Bureaux by PenCom.

All the Regulations, Guidelines and Frameworks issued by PenCom are available on www.pencom.gov.ng.

2.1.2 Surveillance of the Pension Industry

Routine examinations were carried out on 35 operators while maiden examinations were conducted on two operators. Thus, a total of 37 licensed pension operators were examined during the year under review. The examination covered an assessment of the financial viability and governance/management structure of the operators. Other areas assessed included ICT infrastructure, fund management, risk management, collection, safe keeping, settlement, corporate action, performance measurement, compliance, internal controls and reconciliation.

There was also an improvement in the level of compliance with corporate governance principles by licensed operators. Already, operators had commenced submitting compliance and risk management reports to PenCom on monthly/quarterly basis.

2.1.3 Compliance and Enforcement Activities

Various strategies were implemented to ensure compliance with the provisions of the PRA 2004 by both private and self-funded public sector organisations. The strategies included on-site inspection of employers; collaboration with regulatory and professional bodies; issuance of letters to comply with PRA 2004 to non-compliant organisations; public enlightenment campaigns; and application of sanction regime.

a) On-Site Inspection of Employers

Follow-up inspections continued on banks and insurance companies to improve on the level of compliance in the sector. Inspection activities were also carried out on companies quoted on the Nigeria Stock Exchange (NSE) other than banks and insurance companies to determine their level of implementation of the CPS. The inspection also covered selected hotels, Information and Communications Technology (ICT) companies, construction companies and some selected private hospitals. Deadlines were given to all the companies that were yet to start implementing the CPS in all the sectors inspected within which to comply to avoid sanctions.

(i) Banks

The inspection of all deposit money banks revealed that there was full implementation of the CPS with the RSAs of staff regularly funded. In addition, the banks transferred outstanding legacy assets worth N76.05 billion to licensed pension operators as stipulated in the PRA2004.

(ii) Insurance Companies

The level of compliance by insurance companies improved in 2009. This was as a result of the continued engagement of the companies by PenCom with the support of NAICOM to encourage full compliance. Consequently, five (5) out of the forty (40) insurance companies inspected were yet to implement the CPS and transfer the pension assets worth N15.31 billion under their management to licensed pension operators. PenCom adopted several measures to improve compliance by the insurance industry including the issuance of warning letters and imposition of monetary penalties with the assistance of NAICOM.

(iii) **Publicly Quoted Companies**

On-site inspection conducted on thirty nine (39) quoted companies revealed that 23,659 out of the 24,585 employees of these companies had opened RSAs. Already, the sum of N8.72 billion had been remitted to the RSAs of their employees while N134 million was outstanding. The inspection also revealed that legacy pension assets worth N3.23 billion were yet to be transferred to the licensed operators by these companies contrary to the provision of PRA2004.

(iv) **Information and Communication Technology Companies**

Twenty six (26) ICT companies were inspected during the year under review. The inspection established that 6,655 employees out of 6,663 employees of these companies had opened RSAs and the sum of N7.62 billion had been remitted to the employees' RSAs. However, there was an outstanding sum of N5.91 million yet to be remitted. PenCom intensified efforts to ensure full compliance in the ICT Industry.

(v) **Construction Companies**

The on-site inspection of twenty (20) construction companies revealed that the companies had 38,487 employees out of which 3,453 employees were yet to open RSAs. Also, the sum of N5.39 billion was remitted to the RSAs while N249.23 million was still outstanding.

(vi) **Hotels**

The on-site inspection was conducted on forty one (41) hotels in Abuja and Lagos. The inspection revealed that only twenty four (24) had partially started implementing the CPS. It was also established that 3,470 out of 4,178 employees of these twenty four (24) hotels had opened RSAs. In addition, the sum of N277.28 million had been remitted to the respective RSAs of the employees while pension contributions amounting to N17.62 million were yet to be remitted.

(vii) **Hospitals**

Fifty five (55) private hospitals were inspected in 2009 out of which thirty two had partially implemented the CPS. The thirty two (32) hospitals had 2,957 employees out of which 2,270 had opened RSAs. Already N250.79 million was remitted to the RSAs of the 2,270 employees while the sum of N37.39 million was outstanding. Also, legacy assets amounting to N36.39 million were transferred by the hospitals to licensed operators for management.

(viii) **The Pension Departments**

Maiden inspection was conducted on the Civil Service Pension Department. Similarly, at the request of the Secretary to the Government of the Federation (SGF), computations of pension increases by the six

Pension Departments were reviewed and findings of the review were forwarded to the Office of the Secretary to the Government of the Federation (OSGF).

The Pension Departments had started rendering returns on their activities to PenCom. The returns largely cover updates on pensioner records and payments of retirement benefits to the pensioners. Quarterly meetings were held with the Pension Departments in order to resolve issues on the returns they submitted and to address pensioners' complaints as well as other relevant pension matters.

(b) Collaboration with Other Stakeholders

As part of collaboration with other stakeholders, PenCom obtained the support of the Bureau of Public Procurement (BPP) to ensure that any supplier, contractor or consultant bidding or soliciting contract or business from any Federal Government Ministry, Department and Agency (MDA) must fulfil its obligations with respect to pensions as required under Section 16(6)(d) of the Public Procurement Act 2007. Consequently, PenCom placed a General Notice in the National Dailies and issued a circular to all MDAs to ensure the implementation of the circular. Compliance Certificates were issued to deserving employers on request. Advertisements by MDAs soliciting for bids from contractors were monitored to ensure that bid requirements included compliance with PRA 2004.

PenCom also liaised with relevant regulatory and professional/trade associations in the bid to ensure that all employers in the organised private sector implement the CPS as required by the PRA 2004.

(c) Letters Demanding Compliance with PRA 2004

Letters were written to 5,088 private sector organizations that were yet to implement the CPS during the year. The letters requested them to comply with the PRA 2004 and provide appropriate evidence of compliance to PenCom. In this regard, deadlines were given for the submission of necessary evidence of compliance. At the expiration of the deadlines, 2,910 organisations responded and provided evidence of opening 38,060 RSAs to which N7.875 billion was remitted. The remaining 2,178 organisations were handled in accordance with the procedures laid down in the Regime of Sanctions issued by PenCom.

(d) Regime of Sanctions

PenCom implemented the Regime of Sanctions during the year under review. Accordingly, warning letters were issued to 3,618 organisations for failure to comply with the PRA 2004 while monetary penalties were imposed on 1,797 organisations for continued violation of its provisions. Similarly, public censure of 126 non-compliant organisations was carried out. As a consequence of the continued non-compliance by these organisations, the legal process for the prosecution of 87 out of the 126 organisations commenced within the year.

(e) Implementation of the CPS by States and Local Governments

Fourteen (14) State Governments had commenced the implementation of the CPS while ten (10) others had drafted pension bills that were reviewed by PenCom to ensure compliance with the provisions of the PRA 2004.

As part of its supervisory responsibilities, PenCom visited 12 of the 14 states that commenced the implementation of the CPS to ascertain their levels of implementation. Two (2) of these States had opened Retirement Benefit Bond Redemption Fund Accounts with the CBN to fund the pension liabilities that accrued under their defunct pension schemes.

Similarly, PenCom in conjunction with the relevant Committees of the National Assembly had embarked on visitations to State Governors to sensitize them on the need to implement the CPS for the Civil Servants of their respective states. To this end, 13 State Governors were visited and in some cases, technical sessions were held with the relevant departments in charge of pension matters in the State.

2.1.4 Resolution Activities

Resolution activities during the year were focused on the modalities for the transfer of NSITF Contributions into the RSAs of the contributors pursuant to the provisions of Section 42 of the PRA 2004.

(a) Transfer of NSITF Contributions into Members RSAs

In order to ensure a smooth transfer of NSITF contributions into the RSAs of members, a guideline was developed that specified the responsibilities of the major stakeholders to the transfer (NSITF, Trustfund PFA, PenCom, PFAs, CPFAs and the PFCs) and the documentation requirements. However, in response to complaints received from PFAs and contributors under the NSITF Scheme, the requirements for documentation were reviewed to ensure that members were not unduly hindered from getting their contributions transferred. As at 31 December, 2009, approvals had been granted on 9,478 applications for the transfer of N647.08 million into their respective RSAs.

(b) Transfer of Pension Assets to Custodians of Trustfund PFA

PenCom continued the supervision of the transfer of outstanding pension assets from NSITF to the custodians of Trustfund Pensions Plc. As at 31 December, 2009, N47.50 billion out of the N54.55 billion assets verified for transfer had been effectively transferred.

(c) Verification of Existing Pensioners of the NSITF Scheme

Trustfund Plc conducted the verification of 7,861 existing pensioners of the NSITF Scheme in 36 locations nationwide. An actuarial valuation would be conducted by Trustfund Plc to determine the actual liabilities to existing pensioners for the purpose of setting aside adequate funds/assets towards meeting their pension obligations.

2.1.5 Supervision of Investment of Pension Assets

The evaluation of investment valuation reports submitted by pension operators continued during the year. Daily and monthly evaluations were conducted for the daily returns in the case of RSA portfolio and monthly returns in respect of CPFA and AES portfolios. These routine reports ensured that PenCom did not only effectively monitor pension fund investments for safety and fair returns but also to inform the prompt taking of corrective actions when and where necessary.

2.1.6 Maintenance of Data Bank on Pension Matters

As part of fulfilling its statutory function for the establishment and maintenance of a Databank on all pension matters in the country, PenCom developed and continued the maintenance of a database of all registered RSA holders under the CPS. The database also contained nominal staff rolls of all treasury funded MDAs of FGN and the details of contributions of their respective employees; accrued benefits to these employees; and payments made thereof.

A database of retirees under the CPS as well as under the defunct Defined Benefits Scheme was also maintained. This was achieved with an application developed in-house which was also used to capture details of FGN employees who had two (2) or less years to retire from 2009.

2.2 Pension Operators' Forum

The monthly Pension Operators' Forum continued during the year. The Forum provided a platform under which views were shared on policy issues and their implementation as they affect the pension industry. The forum helped in fostering greater understanding between PenCom and the licensed pension operators as well as assisted in nurturing ideas that would ensure the safety of pension assets and the general effectiveness of the industry in the discharge of its obligation.

2.3 Departmental Activities

2.3.1 Office of the Commission Secretary/Legal Adviser

The Office of Commission Secretariat/Legal Department serves as the Secretariat of the Board and is responsible for legal advisory services in PenCom. In 2009, the Department arranged and coordinated the meetings of the Board as well as the Board Committees, the Executive Committee (EXCO), the Management Consultative Committee (MCC) and other meetings of stakeholders. Excerpts of decisions emanating from the various meetings were appropriately communicated to the relevant Divisions of PenCom for action.

In the provision of legal support services, the Department handled ten (10) civil suits which PenCom was wrongly joined as a party. As at 31 December, 2009, in eight (8) of the cases were either withdrawn or resolved by the court in Pencom's favour except two (2) that were pending. The Department also provided legal and advisory support to all Divisions within PenCom on issues related to scheme coverage, benefit administration, compliance and enforcement, agreements and other legal instruments.

In a similar manner, the Department supported the effort of State Governments in the country on the adoption of the CPS through comprehensive review of draft pension legislations of each state as well as rendered advice and attended meetings with officials of State Governments' in charge of pension matters.

2.3.2 Internal Audit Department

In 2009, the Internal the Department conducted pre-payment and post-payment audit of all financial transactions and the routine check as well as verification of PenCom assets. The Department also monitored the security systems put in place to ensure safety of the assets. In addition, the Department carried out compliance evaluation and reviewed all internal controls to assess their adequacy in order to mitigate any form of risk. Other activities carried out by the Department included conducting the quarterly review of financial statements prepared by Finance Department to ensure that the statements were in accordance with accounting policies and standards and verifying the accrued rights/contributions of FGN employees to their respective RSAs as computed by the National Databank Department.

2.3.3 Communications and Public Affairs Department

The Department ensured full coverage of the activities of PenCom by both the print and electronic media with the view to promoting its corporate image and public education and enlightenment on the implementation of the CPS. The Department also continued the facilitation of the placement of advertisements and public notices in both the print and electronic media to keep the general public abreast of the activities of PenCom.

2.3.4 Management Services Department

The Management Services Department continued to provide human, material and other logistics support for the smooth operation of PenCom. The Department aligned its procurement policy with the amendments to the Public Procurement Act as advised by the Office of the Secretary to the Government of the Federation.

The bulk of the training programmes attended by staff of PenCom in 2009 were locally organized. Only technical courses were patronized overseas as well as study visits to countries that operate pension schemes similar to the CPS being operated in Nigeria. In this regard, the Department facilitated the participation of 178 staff in 88 local courses and 127 staff in 12 in-plant training programmes. This demonstrated PenCom's commitment to continuous capacity building of its staff and indeed that of the pension industry.

2.3.5 Information Technology Department

The Information Technology Department continued to play a vital role in the realization of PenCom's objective of maintaining a National Databank on pension matters in the country. The Department continued the facilitation of the development and implementation of the following applications: Contributor Registration System (CRS), Pension Returns Rendition System (PenRRS), Risk Management and Analysis System (RMAS), Automated Fingerprint Identification System (AFIS) and Oracle e-Business Suit. In addition, the Department continued to provide robust connectivity with PenCom stakeholders via fibre optics and VSAT Networks as well as maintenance of ICT infrastructure.

2.3.6 Finance Department

The Finance Department has the responsibility of maintaining complete, accurate and reliable financial books and records as well as managing the funds of PenCom. Towards this end, the Department prepared PenCom's budget for 2009, which was submitted to and approved by the Board in compliance with Section 24 of the PRA 2004. In addition, the Department re-enforced the budget process to enhance efficiency and effectiveness as well as the remittance of pension contributions of FGN employees to the appropriate PFCs. The Department also facilitated the external audit of the PenCom's 2008 Statement of Accounts.

2.3.7 National Data Bank Department

The National Databank Department is charged with the responsibility of establishing and maintaining a comprehensive and up-to-date database on all pension matters including the registration of all contributing employees. The Department had generated a total of 157,078 employer codes by the end of the year to enable PFAs generate PINs for employees of private sector organizations that commenced implementing the CPS. In addition, the Department carried out the verification, validation and remittance of accrued benefits into the RSAs of FGN employees who retired during the year.

2.3.8 Surveillance Department

The Department evaluated applications for licences received in 2009 from prospective organisations and conducted both on-site and off-site inspection of licensed operators. The examination, which was risk-based, involved an assessment of the organizational structure, financial viability and governance/management of the examined operators. Operators were apprised of identified risks and were supported by the Department in the adoption of measures to mitigate the risks. The Department also coordinated the consultative meetings with pension operators in line with the consultative philosophy of PenCom.

2.3.9 Resolution and Enforcement Department

The Resolution and Enforcement Department implemented various strategies to ensure compliance with the PRA 2004 by both private and self-funded public sector organizations. The strategies included public enlightenment, mailing of compliance letters to identified eligible organizations, on-site inspection of employers, collaboration with regulatory and professional bodies and application of the regime of sanctions. The Department also ensured the commencement of the transfer of NSITF contributions into members' RSAs pursuant to the provisions of Section 42 of the PRA 2004.

2.3.10 Policy and Regulation Department

The Policy and Regulation Department drafted and issued two guidelines, two regulations and one framework to the pension operators during the year under review. Other activities carried out by the Department included follow-up on pensioners' complaints with the Pension Departments in the public sector; the coordination of courtesy visits to the Governors of the 36 States of the Federation to encourage greater buy-in and adoption of the CPS and effective implementation in States that already adopted the scheme.

2.3.11 Research and Corporate Strategy Department

The Research and Corporate strategy Department spearheaded and coordinated the development of a detailed Corporate Strategy Plan for PenCom that was completed during the year under review. The Department produced the PenCom's 2008 Annual Report as part of its major activities in 2009. In addition, various papers were written in the Department and presented at sensitization and awareness seminars and workshops on the CPS. The Department also drafted position papers for the members of the Executive Management; maintained the pension industry records; managed the contents of PenCom's website as well as the general e-mail box; and served as the Secretariat for PenCom's SERVICOM activities.

2.3.12 Risk Management Department

The Department continued the review of periodic valuation reports submitted by pension operators on the investment of pension funds to ensure compliance with the regulations on investment and valuation of pension fund assets. In addition, the Department processed and approved the retirement benefits of workers who retired during the year. The Department also coordinated the joint work of PenCom and NAICOM in developing the guidelines on annuity that was issued during the year under review.

2.4 Other Activities Of Pencom

2.4.1 National Conference on the Implementation of the PRA 2004

A National Conference on the Review of the Implementation of the Pension Reform Act (PRA) 2004 was jointly organized by PenCom and the National Assembly during the year under review. The Conference provided a platform for conducting a comprehensive review of the implementation of the PRA 2004, as was proposed by the National Assembly, and for obtaining input from stakeholders towards enhancing the implementation of pension reform in Nigeria.

The 2-day seminar which was adjudged highly successful was attended by participants from both the public and private sectors of the Nigerian economy. The Central Bank of Nigeria (CBN), Securities and Exchange Commission (SEC), the National Insurance Commission (NAICOM), Nigeria Employers Consultative Association (NECA), Nigerian Labour Congress (NLC), Trade Union Congress (TUC) and National Union of Pensioners (NUP) were among the public sector organizations represented at the conference, while banks, insurance companies and licensed pension fund operators were among key private sector organizations at the conference.

2.4.2 Sensitization Seminars/Workshops and Public Enlightenment

As part of efforts to increase the current level of compliance with the provisions of the PRA 2004, PenCom facilitated public awareness and education programmes on the workings of the CPS. The sensitization activities included the following:

- (i) A two-day maiden interactive workshop with Business Editors, Finance, Insurance and Labour market correspondents aimed at enhancing their knowledge and understanding of the CPS so as to ensure accurate reporting, increase publicity on the scheme and foster closer relation between the press and PenCom.

- (ii) Interactive forum with the Nigeria Employers' Consultative Association (NECA) to deliberate on concerns of employers under the umbrella of NECA with respect to compliance with PRA 2004 and the Transfer of NSITF contributions into employees' RSAs.
- (iii) A one-day interactive session for State Executives and Council Members of Nigerian Labour Congress (NLC) on implementation of CPS by States and Local Governments and Transfer of NPF/NSITF contributions to members' RSAs.
- (iv) A sensitization workshop in conjunction with the Chartered Institute of Personnel Management of Nigeria (CIPMN) on the CPS to assist Human Resource practitioners and employees handling pension matters in various organizations to understand the core dictates and processes involved in the implementation of the CPS.
- (v) Several other sensitization seminars, workshops and conferences across the country on the workings of the CPS.

2.4.3 Collaborative Activities

(i) Collaboration with National Accounting Standards Board

Pecom continued to collaborate with the Nigerian Accounting Standards Board (NASB) in its efforts to develop accounting and financial reporting standards for the pension industry. A review of the Statement of Accounting Standard (SAS8) for private sector pension was accomplished and a new standard (Accounting and Reporting by Retirement Benefit Plans) was developed to replace the existing SAS8. Similarly, the exposure draft 31 (International Public Sector Accounting on Employee Benefits) was adopted into draft statement of recommended practice (SORP).

(ii) Collaboration with Securities and Exchange Commission (SEC)

A seminar on reviving Nigeria's non-government bond markets through the Efficient Securities Market Institutional Development (ESMID) Programme was jointly organized by PenCom, Securities and Exchange Commission (SEC) and IFC/World Bank. The Seminar was designed to assist SEC to: regulate the bond market better; assist PenCom and the Pension Industry in extending the frontiers of the non-government bond market for pension investments; and fine-tune the existing regulation on pension fund investments as they affect this segment of the bond market.

(iii) Bond Market Steering Committee

PenCom continued to participate in the Bond Market Steering Committee (BMSC) towards the development of the Nigerian Bond Market. This Committee inaugurated in 2006, is a consensus-building body comprising major public and private sector stakeholders in the bond market. Based on the recommendations of the Committee, Government approved a number of measures including tax waivers on all corporate debt securities.

(iv) **Financial Services Regulation Coordinating Committee**

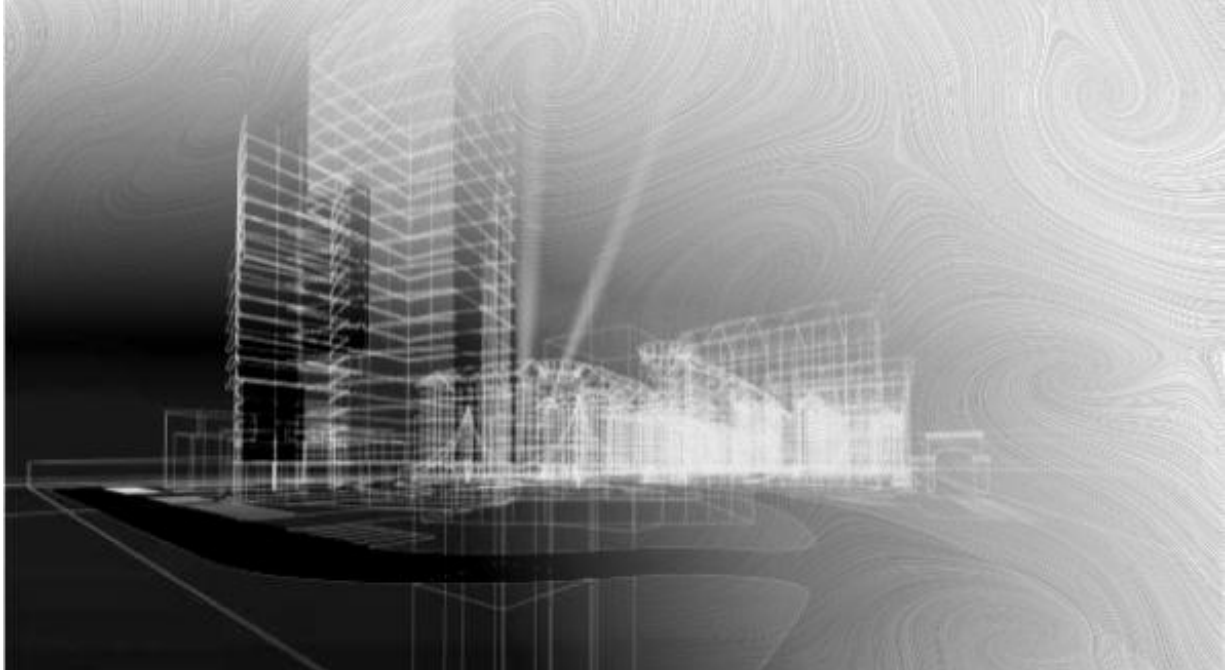
PenCom continued to participate in the activities of the Financial Services Regulation Coordinating Committee (FSRCC) as a member. The Committee considered among others, the harmonised Code of Corporate Governance for all Operators in the Financial Services Industry as well as proposed procedures for the conduct of consolidated supervision of financial institutions, especially the financial conglomerates.

2.4.4 Membership of Professional Organisations

PenCom remained a member of two international pension supervisory associations, namely, International Social Security Association (ISSA) and International Organisation of Pension Supervisors (IOPS). The membership accorded PenCom the opportunity to benefit from the various supervisory and regulatory experiences of other members of the two associations particularly, in the establishment of standards for regulation and supervision of the pension industry; issues of policy and research; data collection and analysis; and capacity building.

PART 3

The Pension Industry



THE PENSION INDUSTRY

3.1 The Operating Environment

3.1.1 Macroeconomic Developments

The Nigerian economy witnessed significant growth in 2009. This was confirmed by provisional data from the National Bureau of Statistics (NBS), which projected the real growth rate of Gross Domestic Product (GDP) at 6.90 percent compared with 5.98 percent recorded in 2008. This was a good development for the pension industry as increase in economic activity has positive multiplier effects that could propel growth in other sectors, including the pension industry.

The rate of inflation improved slightly in 2009 as it moderated at 12.4% compared with 15.1% recorded in December, 2008. The reduction in inflation rate observed in the year notwithstanding, a double digit inflation rate was still high as it impacted negatively on real rate of return on pension fund investment. Similarly, high inflation rate as manifested in high prices of food and non-food items recorded in the year could reduce welfare through the erosion of purchasing power of citizens including pensioners.

3.1.2 The Banking Reforms

The banking sector witnessed another round of reform in 2009 following the post-consolidation phenomenal growth witnessed in the sector. The recent reforms were preceded by a special examination in all the 24 banks operating in Nigeria. Five of the 24 banks were found to have accumulated loans that eroded their shareholders funds, four of these banks were found to be in grave situation.

In order to arrest this crisis and restore public confidence in the banks, the CBN introduced broad reform programmes including the injection of ₦400 billion into the five banks with eroded shareholders funds and N200 billion into the four banks with insufficient funds. The reform programme was made up of four pillars namely: enhancing the quality of banks; establishing financial stability; enabling healthy financial sector evolution; and ensuring that the financial sector contributes to the development of the real sector. This programme was specifically targeted at addressing the problems of poor corporate governance in banks, strengthening the internal risk management capacity of banks and building the risk-based supervisory capacity of the CBN. Apart from the proposed regulation and regulatory framework reform by the CBN, consumer protection was also an integral part of the reform efforts.

These reform programmes would need to be adequately implemented and sustained in order to engender confidence in the banking system and to guarantee safety of investors' funds especially pension funds. The promotion of good corporate governance in banks, evolution of healthy financial sector and ensuring that the financial sector contributes to the development of the real sector would lead to increase in economic activity. All these would boost the growth and development of the pension industry through the multiplier effect of increased economic activity.

3.1.3 Developments in the Money Market

The money market continued to witness market-driven interest rate regime as the monetary policy rate (MPR) remained stable and moderated the level of all interest rates

in the country. Investors' confidence in the market was enhanced in the year following improved performance as a result of the introduction of the inter-bank money market guarantee by the CBN and other supervisory and regulatory measures to strengthen the banking industry. The combination of measures resulted in the downward movement of the daily interbank call rates. In specific terms, the average call rate was 5.25 percent as at 31 December, 2009. Similarly, the secured open buy-back (OBB) declined to 4.53 percent as at 31 December, 2009 from 5.8 percent as at 30 November, 2009.

However, the average yields on 91 days and 182 days Treasury Bills were 4.6 per cent and 6.2 per cent respectively in the fourth quarter of 2009. However, these yields were negative in real terms when adjusted with the inflation rate of 12.4 per cent in the fourth quarter of 2009. This remained a big challenge to pension fund investment in view of the possibility of continued negative real rate of return on pension investment.

3.1.4 Developments in the Nigerian Stock Market

The Nigerian Capital Market continued to react to the global financial crisis as witnessed in heightened volatility and sharp fluctuations in stock values of the companies quoted on the stock exchange. The weak performance of the capital market was partly evidenced in the fluctuation in the All-Share Index (ASI) during the year as evidenced in Table 3.1.

Table 3.1: All Share index vs Market Capitalization in 2009

	31 Dec '08	31 Mar '09	30 Jun '09	30 Sept '09	31 Dec '09
ASI	31,450.78	19,825.08	26,861.55	22,065	20,827.17
Mkt Cap(NTrillion)	6.96	4.48	6.13	5.13	4.99

This represented a decline of 33.8 per cent in comparison with the 31 December 2008 level.

Similarly, market capitalization, which stood at ₦6.96 trillion on 31 December 2008 declined steadily to ₦4.989 trillion by 31 December 2009. The problem of the Nigerian capital market was compounded by the banking sector crisis as prices of bank shares crashed. Meanwhile, transactions in bank shares constituted about 60 per cent of the activities in the capital market.

3.1.5 Developments in the Bond Market

The quest for safety of investment following the stock market crisis which manifested led to huge subscription of the Federal Government of Nigeria (FGN) Bonds in 2009. This culminated in high prices of these bonds because they were mostly traded at premium relative to their par value and low yields. This suggested that investors regarded bonds as safe alternatives to equity investment as returns on investment were traded off for safety – flight to safety.

Thus, in 2009, the Debt Management Office (DMO) on behalf of the FGN offered a total of ₦614.44 billion worth of FGN Bonds. This represented an increase of 19.31 percent over the ₦515 billion offered in 2008. Similarly, total subscription of ₦1,249.16 billion in 2009 was 46.08 percent above the ₦855.14 billion subscribed in 2008.

State Governments were constrained by the recent development in the money market to exploring other sources to finance their developmental projects. This pushed four of them, namely, Lagos, Kwara, Imo and Niger, to issue bonds through which they raised a total of N91.5 billion in 2009. In similar circumstances corporate organisations had been working towards raising about N1.8 Trillion from the market through bond issuance. Guaranty Trust Bank had recently concluded a bond placement worth N13.17 Billion while few other banks including UBA, First Bank, Access and Diamond Bank had proposed bond placements very soon. The bond market is however dominated by the FGN bonds, which comprised of 95 percent of the total domestic bond issuances.

The bond market provided the safe alternative vehicle for investing pension funds because of the negligible impact of any long-term effect of financial or economic crisis on this investment vehicle. However, the double digit rate of inflation may have negative consequential effect on bond's real rate of return. An important lesson for pension fund operators in this respect would be to start soliciting for inflation-indexed bonds.

3.1.6 Developments in the Annuity Market

In order to implement the provisions of Section 4(1)(b) of PRA 2004, PenCom in collaboration with the National Insurance Commission (NAICOM) jointly issued the regulation on annuity as one of the means of expanding the number of retirement products available to retirees. Thus, while it is the mandate of NAICOM to regulate the annuity market, it is the responsibility of PenCom to ensure that the modalities for the administration of retirement benefits in respect of life annuity is strictly followed to guarantee payments of retirement benefits as and when due. Thus, NAICOM in collaboration with PenCom endorsed 26 life insurance companies to carry out annuity business in Nigeria. Similarly, while premium should be provided or paid from RSA balance before lump sum can be taken by retirees, the retirees' annuity must be at least 50 percent of adjusted annual total emolument.

3.2 Issuance of Licence

The number of pension operators remained 38 in 2009 as no new licence was issued during the year. Similarly, the number of Approved Existing Schemes remained 19 as in 2008. Thus, the number of PFAs remained 26 while the number of CPFAs and PFCs remained 7 & 5 respectively.

A comprehensive list and contact details of all pension operators is provided in part six of this Report.

3.3 Registration of Contributors

The public sector maintained the lead in the number of RSA registration over the private sector. However, the rate of compliance and hence registration in the private sector continued to increase in the year. For example, the rate of compliance increased from 149,439 employers as at 31 December 2008 to 157,078 employers as at the end of 2009. This contributed significantly to the increase in number of contributing private sector employees as its number of RSA holders increased from 1,266,519 in 2008 to 1,649,045 in 2009, representing an increase of 30.2%. There were no remarkable changes in

3.3.1 Membership of RSAs

Total RSA registrations by PFAs for both the public and private sectors was 4,012,498 as at 31 December, 2009, which shows an increase of 544,641 or 15.71 percent over the 2008 figure. The public sector at 2,363,453 RSA registrations accounted for 58.9 percent of total RSA registrations in 2009, while the private sector accounted for the balance of 1,649,045 or 41.1 percent. However, growth in the public sector was slower at 7.3 percent as against 30.5 percent in the private sector.

The growth in the public sector was due to increase in the number of State Governments and self funding public sector agencies that adopted the CPS.

Figure 2. 1 shows year-on-year growth in the RSA registration figures from 2007 to 2009

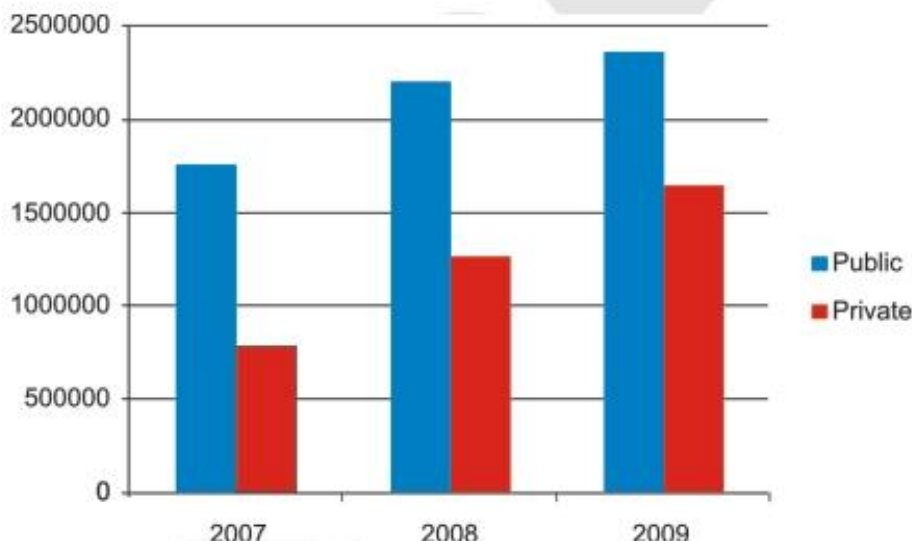


Figure 2.1: RSA Registrations by Sector

The higher proportion of RSA registrations in the public sector notwithstanding, Figure 2.1 shows increased compliance by the private sector as RSA registration in the sector moved from 789,150 in 2007 to 1,264,071 and 1,649,045 in 2008 and 2009 respectively. This represents increases of 60.2 percent in 2008 and 30.5 percent in 2009. Thus, the average monthly growth rate of RSA registrations in the private sector was 2.5 per cent in 2009, compared with average growth rate of 0.6 percent in the public sector in the same period.

Table 3.2: RSA Registrations in 2009

Age Range	Public Sector		Private Sector		Total		Grand Total	
	Male	Female	Male	Female	Male	Female	Number	Percentage
Less than 30 yrs	332,660	120,775	368,335	143,649	700,995	264,424	965,419	24.06
30 - 40 yrs	511,496	260,118	499,834	150,443	1,011,330	410,561	1,421,891	35.44
41 - 50 yrs	477,759	249,432	280,930	55,123	758,689	304,555	1,063,244	26.50
51 - 60 yrs	273,007	102,904	112,696	12,688	385,703	115,592	501,295	12.49
Above 61 yrs	23,095	5,043	16,838	1,345	39,933	6,388	46,321	1.51
Total	1,623,975	739,478	1,284,988	364,057	2,908,963	1,103,535	4,012,498	100.00

Table 3.2 also shows that the number of contributors within the age bracket "30 - 40 years" dominated RSA registration in 2009, accounting for 35.44 percent of total registration in the year. This is an indicator that a larger proportion of contributors still have more years of participation in the scheme before retirement. This is corroborated by the fact that 59.5 percent of participants in the scheme were 40 years or less in 2009. In particular, while the proportion of age bracket "51 - 60 years" decreased by 1.06%, the age bracket "above 61 years" increased by 0.81 percent relative to their levels in 2008. Similarly, the number of contributors above 40 years constituted 40.5 per cent, which was slightly lower than the 43.56 percent recorded in 2008.

It is however expected that the number of RSA holders would increase as more private sector employers implement the CPS. This is predicated on the sustainability of government policies such as the recently promulgated Public Procurement Act, 2007, application of regime of sanctions by PenCom in accordance with the provisions of PRA 2004 and the intensification of sensitization and public awareness campaigns to improve on the level of compliance across sectors.

3.3.2 Membership of CPFAs and AES

The total members of the licensed CPFAs and AES were 26,666 and 41,503 as at 31 December, 2009 respectively. This marked an increase of 2.46 percent and 0.9 percent over the membership figures of 26,026 and 41,134 recorded as at 31 December 2008 for CPFA and AES respectively. The breakdown of the CPFA and AES members are shown in Tables 3.3 and 3.4.

Table 3.3: Membership of CPFAs in 2009

Enrolment Type	Number	Percentage of Total
Active Members	21,347	80.05
Current Pensioners	5,193	19.47
Deferred Pensioners	126	0.48
Total	26,666	100.00

Note: Deferred pensioners are pensionable retirees who are not eligible to start drawing pension until they reach a certain age in accordance with rules and regulations of their respective schemes.

Table 3.4: Membership of AES in 2009

Enrolment Type	Number	Percentage of Total
Active Members	25,530	78.11
Current Pensioners	14,590	35.15
Deferred Pensioners	129	0.36
Dependants	1,522	2.97
Total	41,503	100.00

Note: Dependants are protégés of deceased pensioners.

3.4 Pension Contributions

The total pension contribution by RSA holders in both the public and private sectors was N668.06 billion as at 31 December 2009. The public sector contributions accounted for N404.67 billion (60.57 percent) while the private sector accounted for N263.39 billion (39.43 percent). The breakdown of the contributions from inception for the public and private sectors are shown in Tables 3.5 and 3.6 respectively. In each Table, the percentages show the rate of contributions in each year relative to the cumulative contribution as at 31 December, 2009. The increases show the level of increased compliance in both the public and private sectors, which are expected to continue in this upward trend as level of compliance increases and employees enjoy higher income due to career advancements.

Table 3.5: Public Sector Pension Contributions

Year	Amount (N billion)	Percentage of Total (%)
2004	15.60	3.85
2005	34.68	8.57
2006	37.38	9.24
2007	80.63	19.92
2008	99.28	24.53
2009	137.10	33.88
Total	404.67	100.00

The total contribution by the public sector included N54.86 billion from the participating State Governments' employees and self-funding FGN agencies. The average monthly pension contribution for the public sector increased from N8.27 billion in 2008 to N11.43 billion in 2009 representing an increase of 38.17 percent. Given that many State Governments are adopting the scheme and funding the RSAs of their employees, the average monthly contribution is expected to grow by at least 40 percent in 2010.

Table 3.6: Private Sector Pension Contributions

Year	Amount (N Billion)	Percentage of Total (%)
2004	-	-
2005	-	-
2006	23.03	8.74
2007	68.34	25.95
2008	80.81	30.68
2009	91.21	34.63
Total	263.39	100.00

The private sector pension contribution increased from N80.81 billion in 2008 to N91.21 billion in 2009 representing 12.87 percent growth rate in the comparable years. The average monthly pension contribution for the private sector was N7.60 billion in 2009, compared with N6.73 billion monthly average recorded in 2008, representing an increase of 12.93 percent. This is expected to increase by at least 20 percent in 2010 due to the enforcement measures being taken by the Commission.

3.5 Industry Portfolio Analysis

The unaudited value of total pension fund assets increased from N1,098.99 billion as at 31 December 2008 to N1,529.63 billion as at 31 December 2009, indicating a 39.2 percent growth. The growth was due to new contributions, capital injection by scheme sponsors and capital appreciation. Table 3.7 below shows the investment portfolio of the total Pension Funds in the last two years.

Table 3.7: Total Pension Assets

ASSET CLASS	2009		2008	
	Amount (N billion)	% of Total	Amount (N billion)	% of Total
Local Ordinary Shares	220.71	14.43	220.54	20.07
FGN Securities	498.88	32.61	350.67	31.91
State Government Securities	33.71	2.20	0.16	0.01
Corporate Debt Securities	31.18	2.04	15.12	1.38
Local Money Market Securities	542.22	35.45	332.44	30.25
Open/Close Funds	5.74	0.38	9.03	0.82
Real Estate Properties	142.96	9.35	125.5	11.42
Unquoted Securities	6.18	0.40	6.86	0.62
Foreign Investments				
i. Ordinary Shares	2.8	0.18	2.23	0.20
ii. Money Market Securities	17.72	1.16	17.25	1.57
Cash & other Assets	27.53	1.80	19.19	1.75
TOTAL	1,529.63	100.00	1,098.99	100.00

A 3-year summary presented in Table 3.8 reveals changes in the investment strategies of PFAs, CPFAs, and AES over the years. Consequently, contributions received in 2009 were invested more in fixed income securities including State Government Bonds, Corporate Debt Securities and Money Market Instruments.

It is important to note that there was capital depreciation on the equity holdings of the operators as the result of 'self correction' of the capital Market. Thus, though unit holdings may have increased, the decrease in unit values had depreciated the overall value of the total placements in ordinary shares and consequently depreciated the percentage holdings in quoted equity holdings relative to the Value of the total Portfolio.

Table 3.8: Three Year Summary of Pension Industry Portfolio

Asset Class	2007		2008		2009	
	Amount (N billion)	% of Total	Amount (N billion)	% of Total	Amount (N billion)	% of Total
Local Ordinary Shares	240.38	29.49	220.54	20.07	220.71	14.43
Foreign Ordinary Shares	3.06	0.38	2.23	0.20	2.80	0.18
FGN Securities	279.69	34.31	350.67	31.91	498.88	32.61
State Govt. Securities	0.05	0.01	0.16	0.01	33.71	2.20
Corporate Debt Securities	0.24	0.03	15.13	1.38	31.18	2.04
Local Money Market Securities	159.92	9.62	332.44	30.25	542.22	35.45
Foreign Money Market Securities	26.09	3.20	17.25	1.57	17.72	1.16
Open/Close-End Funds	4.46	0.55	9.03	0.82	5.74	0.38
Real Estate Properties	79.08	9.70	125.48	11.42	142.96	9.35
Unquoted Securities	4.43	0.54	6.86	0.62	6.18	0.40
Cash & Other Assets	17.79	2.18	19.20	1.75	27.53	1.80
Total Pension Fund Assets	815.18	100	1,098.99	100	1,529.63	100.00

Notable changes during the three year period were in local ordinary shares that consistently dropped proportionately over the 3-year period and in FGN and State Governments' securities both of which increased significantly in volume particularly in 2009 by N148.21 billion and N33.10 billion respectively. Similarly, money market instruments reached their allowable limits of 35 percent of total pension assets in 2009. This could be ascribed to the corrections in the capital market and the decisions of the pension operators to concentrate on asset classes that are safe and less volatile in their returns.

The growing importance of pension funds to national development is reflected in its continuous increase as a percentage of GDP increased significantly from 1.47 percent in 2006 to 6.18 percent in 2009 as demonstrated in Figure 2.2.

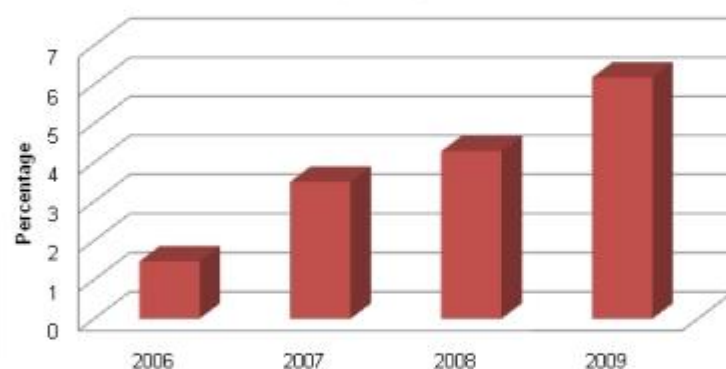


Figure 2.2: Pension Assets as a Percentage of GDP

3.5.1 RSA Portfolio Analysis

The unaudited valuation of the RSA Funds shows an increase in the total assets from N471.77 billion as at 31 December 2008 to N748.87 billion as at 31 December 2009, signifying a net growth of N277.10 billion (59%) over the period. The assets comprised of RSA Active Fund of N659.64 billion (88%) and RSA Retiree Fund of N89.24 billion (12%). The portfolio of the RSA Funds is presented in Table 3.9 below as at 31 December 2009.

The RSA Retiree Funds came into effect in February 2009 following the issuance of the Guidelines on Retiree Fund in December 2008. This marked the effective separation of the pension assets of the retired RSA members from the assets of active members. The main objective was to invest retiree assets in fixed income securities in order to preserve retirees' funds and assets from capital market volatilities.

Table 3.9: Portfolio of RSA Funds

ASSET CLASS	2009 RSA ACTIVE FUND		2009 RSA RETIREE FUND		Total		Percentage change
	N Billion	%	N Billion	%	2009 N Billion	2008 N Billion	
Local Ordinary Shares	79.68	12%	0.00	0%	79.68	43.04	85.13
FGN Securities	328.60	50%	34.82	39%	363.42	262.87	38.25
State Govt. Securities	23.31	4%	3.13	3%	26.44	0.16	164.25
Corporate Debt Securities	8.09	1%	0.79	1%	8.88	1.07	729.91
Local Money Market Instruments	212.48	32%	45.53	51%	256.35	150.30	70.56
Open/Close-End Funds	3.06	0%	0.00	0%	3.06	2.71	12.92
Cash & Other Assets	6.07	1%	4.97	6%	11.04	11.62	-4.99
TOTAL	659.64	100%	89.24	100%	748.87	471.77	58.74

The growth of the RSA portfolio resulted from the effect of net inflow of funds, investment income and net unrealized gains on quoted equities. The breakdown of the net change to the valuation of the RSA Fund is provided in Table 3.10.

Table 3.10: Sources of Growth of the RSA Funds

S/N	Sources of Portfolio Growth	Amount (N Billion)	% of Total
1.	New Inflow of Funds		
	■ Contributions	201.94	67.12
	■ Accrued pension rights (bonds) redeemed	67.12	20.86
2.	Investment Income		
	■ Interests/Coupons	49.01	15.23
	■ Dividends	12.47	0.77
	■ Net realized gains	0.69	0.21
3.	Net unrealized gains on quoted equities/equity funds	0.57	0.18
	Total	321.80	100.00

The average monthly contribution had grown from N15 billion in 2008 to N19 billion in 2009 due to the increase in the number of private sector organizations that commenced implementing the CPS in 2009. RSA Funds recorded net unrealized gains of N0.57

billion in 2009 as against the net unrealized losses on quoted equities/equity funds of N33 billion in 2008. This was as a result of upward movements in the market prices of some quoted companies during the third and fourth quarters of 2009.

It has been noted that the stock market witnessed a decline as the All-Share index decreased by 33.78 percent in 2009 at 20,827.17 points down from 31,450.78 points as at 31 December 2008. Also, market capitalization went down by 28.29 percent, reducing from N6.96 trillion to N4.99 trillion over the same period. This trend was closely monitored by the industry and had informed many investment decisions taken by the PFAs, which resulted in restructuring of the RSA portfolios under their management. Equity investments were however maintained largely in banking (5 percent) of the total portfolio value; breweries (1.6 percent); food/beverages & tobacco (1.2 percent); conglomerates (0.6 per cent); and petroleum marketing (0.5 percent).

Pension Fund investments in Federal Government Securities (bonds and treasury bills) accounted for 49 percent of total RSA (Active & Retiree) Funds, showing a proportional decline of about 11 per cent when compared to 60 percent as at 31 December 2008. However, allotments in new issues of FGN Bonds increased from 5.62 percent in 2008 to 22.31 percent in 2009. Similarly, RSA funds invested N26.44 billion (3.5 percent of total RSA Funds) in four State Government Bonds that satisfied the investment criteria for pension fund assets with yields ranging from 13 percent to 15 percent per annum.

Investments in corporate debt securities increased from less than a billion naira in 2008 to N8.9 billion in 2009. Placements were in the corporate bonds of two financial institutions that were issued in 2008 and 2009 with coupon rates of 12 percent and 13 percent per annum respectively. Total money market investments by RSA Funds were valued at N256.35 billion as at 31 December 2009, marking a 72 percent increase over previous year's value of N150.30 billion. However, average interest rates declined from 17 percent per annum between the first and third quarters to 14 percent in the 4th quarter of 2009. This posed potential risks to pension funds in earning real returns due to rising inflation rate.

To support the banking reforms, the CBN had guaranteed all inter-bank and pension funds' placements in banks and discount houses, initially up to 31 March 2010, and later up to 31 December 2010. This has assisted and encouraged the PFAs to invest in local money market instruments.

In general, the RSA 'Active' Funds recorded a net year-on-year nominal return on investment (ROI) of 11.41 percent in 2009, which was a significant increase over 0.34 percent recorded in 2008. On the other hand, the ROI on the Retiree Fund averaged 15 percent per annum in 2009.

3.5.2 CPFA Portfolio Analysis

The value of CPFA assets grew from N294.61 billion in 2008 to N342.36 billion as at 31 December 2009, which was an increase of N47.75 billion (48 percent) as presented in Table 3.11. The growth was mainly due to capital injection by sponsors of the schemes and returns on investment. The capital injection was based on the demand that sponsors must make up any funding shortfalls identified in yearly actuarial valuation reports of the Funds.

Table 3.11: Portfolio of CPFA Funds as at 31 December 2009

Asset Classes	2009		2008		Variance	
	Amount	%	Amount	%	Amount	%
	(N billion)		(N billion)		(N billion)	
Local Ordinary Shares	36.79	11	31.64	11	5.15	6
Foreign Ordinary Shares	2.80	1	2.23	1	0.57	6
FGN Securities	66.24	19	56.68	19	9.56	17
State Govt. Securities	2.68	1	0.00	0	2.68	100
Corporate Debt Securities	20.01	6	13.14	4	6.87	52
Local Money Market Securities	97.26	28	88.88	30	8.38	9
Foreign Money Market Securities	17.72	5	17.25	6	0.47	3
Open/Close-End Funds	2.14	1	3.36	1	-1.22	-36
Real Estate Property	91.45	27	73.59	25	17.86	24
Unquoted Securities	3.77	1	4.45	2	-0.68	-15
Cash & other Assets	1.50	0	3.40	1	-1.90	-56
Total CPFA Assets	342.36	100	294.62	100	47.74	16

As can be seen from Table 3.11, there were no radical changes in the overall portfolio structure of the CPFA Funds with the exception of the increases in fixed income investments. There were also new investments in State Government Bonds while placements in Corporate Debt Securities increased by 2 percent, which signifies the moderate achievements recorded in floating corporate debt securities and the readiness of the Pension Funds to invest in them provided they meet all the requirements stipulated by PenCom.

Generally, most Funds complied with their internal investment policies and stipulated regulations/guidelines issued by PenCom. In addition, the ROI on the CPFAs was averagely 9 percent per annum. The improved performance resulted from some portfolio restructuring exercise carried out during the year, with focus on fixed income securities.

3.5.3 AES Portfolio Analysis

The AES pension assets comprised of 19 Approved Existing Schemes and 21 legacy Pension Schemes. The total un-audited portfolio value of the AES Funds marginally grew by 5 per cent from N332.61 billion as at 31 December 2008 to N349.13 billion as at 31 December 2009 as shown in Table 3.12.

Growth of the AES Funds was largely due to capital appreciation and capital injection by sponsors of the schemes, which was based on funding gaps following actuarial valuation reports of the Funds.

Table 3.12: AES Fund Investment Portfolio

Asset Class	2009		2008		Variance	
	Amount (N billion)	% of Total	Amount (N billion)	% of Total	Amount (N billion)	% change
Local Ordinary Shares	104.24	29.86	145.86	43.85	-41.62	-29
Foreign Ordinary Shares	0	0.00	0	0.00	0	0
FGN Securities	34.39	9.85	31.11	9.35	3.28	11
State Govt. Securities	1.46	0.42	0	0.00	1.46	100
Corporate Debt Securities	1.49	0.43	0.91	0.27	0.58	64
Local Money Market Securities	143.08	40.98	93.26	28.04	49.82	53
Foreign Money Market Securities	0	0.00	0	0.00	0	0
Open/Close end Funds	0.53	0.15	2.97	0.89	-2.44	-82
Real Estate Properties	51.51	14.75	51.54	15.50	-0.03	0
Unquoted Securities	2.41	0.69	2.41	0.72	0	0
Cash & other Assets	10.02	2.87	4.55	1.37	5.47	120
Total AES Funds	349.13	100.00	332.61	100.00	16.52	5.00

The most significant changes in the quantum of the portfolio structure of the AES Funds were in money market securities that increased by N49.82 billion while quoted equities dropped by N41.62 billion. Similarly, the placements in mutual funds dropped significantly by 82 percent indicating that the AES Funds avoided equity related securities as part of their portfolio restructuring by divesting from relatively 'troubled' companies/sectors and reinvesting in others with strong fundamentals. However, some AES Funds had completely divested from investments in mutual funds.

A substantial portion of AES Funds' new investments were strictly in fixed income securities, particularly money market instruments for reasons of high returns. There were also new investments in State Government Bonds of about N1.5 billion, which again demonstrated the potential of the pension industry to provide indirect funding to laudable projects of both the Federal and State Governments.

Most AES Funds recorded average positive ROI of 8 percent per annum for the year ended 2009. However, it should be noted that a few Funds, with huge assets allocation to quoted equities, recorded average negative 5 per cent ROI per annum due to the continued volatility of the stock market during the year under review. It should be noted that these schemes were allowed to continue in accordance with their legacy investment policies due to the sponsors' undertaking to make up for any shortfall in the valuation of their pension assets.

3.6 Charges to the Pension Funds

Charges to the Funds have continued to be closely watched by PenCom for the benefit of members. Transaction charges on equity deals averaged 0.30 percent of consideration. Also, it should be highlighted that PenCom had effected a reduction in the aggregate rates of regulatory and administrative charges from 2.9 percent of Net Assets Value (NAV) per annum to 2.25 percent as indicated in Table 3.13.

Table 3.13: Rates of Charges on Pension Funds

Fund	Basis	PFA %	PFC %	PenCom %	Total %
RSA 'Active'	% per annum of NAV	1.60	0.40	0.25	2.25
RSA 'Retiree'	% of earned income	5.00	1.50	1.00	7.50

A total of N20.87 billion was charged on the pension funds in 2009. This was made up of N4.12 billion (19.71 percent) administrative fees, N16.32 billion (78.20 percent) asset based fees and N0.43 billion (2.06 percent) transaction costs. As indicated in Table 3.15, the total charges represented 1.36 per cent of the total pension assets as at 31 December, 2009. This shows that the RSAActive Fund had a saving of 0.89 percent (2.25 percent - 1.36 percent) due to the daily accrual method adopted by PenCom.

Table 3.14: Charge to Pension Fund Assets in 2009

Costs	RSA (Active) (N billion)	RSA (Retiree Fund) (N billion)	CPFA (N billion)	AES (N billion)	Total (N billion)
Administrative Fees	4.12	-	-	-	4.12
Asset Based Fees	10.18	0.55	3.69	1.90	16.32
Transaction Charges	0.38	0	0.04	0.01	0.43
Total	14.68	0.55	3.73	1.91	20.87
Total as % of Total Pension Assets	1.96	0.62	1.07	0.56	1.36

3.7 Processing Retirement/Terminal Benefits

Applications for access to retirement benefits were processed in accordance with Section 4(1) (c) of the PRA '04 which stipulates that contents of the RSA shall be utilized to procure an annuity or fund programmed withdrawal. However, over 99 percent of retirees opted for the programmed withdrawal arrangement, which could be attribute to lack of adequate knowledge on annuity and annuity products by retirees.

3.7.1 Programmed Withdrawal

A total of 16,469 retirees were receiving retirement benefits under the programmed withdrawal (PW) arrangement as at 31 December 2009. This shows an increase of 11,345 (221.41 percent) over the 2008 figure. Their combined cumulative lump-sum withdrawals stood at N47.77 billion with a total average monthly withdrawal of N619.85 million. Out of the total number of retirees, 15,319 or 93.0 percent were from the public sector while the remaining 1,150 or 7.0 percent were from the private sector. A breakdown of this information by gender and sector is presented in Table 3.15.

Table 3.15: Breakdown of Payment of Retirement Benefits as at December 2009

Sector	Retirees				Retirement Benefits	
	Male	Female	Total	% of Total	Average Monthly PW (N Million)	Lump Sum (N Million)
Public	13,172	2,147	15,319	93.02	604.34	47,036.76
Private	1,055	95	1,150	6.98	15.51	731.26
Total	14,227	2,242	16,469	100	619.85	47,768.02

From Table 3.16, over 16,400 workers had retired and were receiving periodic pension after withdrawal of initial lump sums. The balances after the initial withdrawals were transferred into the RSA (retiree) accounts, which were being invested by the PFAs from which monthly programmed withdrawals were paid out to the retirees.

3.7.2 Retirement by Annuity

Section 4 (1) (b) of PRA 2004 has provided for purchase of annuity as the second mode of withdrawing retirement benefits. PenCom and NAICOM had during the year jointly issued Regulations on Annuity to allow persons wishing to retire under the life annuity arrangement to do so. However, no request was received for retirement under life annuity in 2009.

3.7.3 Withdrawal of 25 Percent of RSA Balances

This represented withdrawals of 25 percent of RSA balances made by persons who retired before the age of 50 years in accordance with the terms and conditions of their employment but had stayed for at least six months without securing another employment. During the year under review, approvals were granted for payment of N351.09 million to 3,329 RSA holders of which 206 were from the public sector and 3,123 were from the private sector that were out of job for more than 6 months and were unable to secure another employment. A total of N294.10 million was requested by employees in the private sector accounting for 84 percent of the total withdrawals while the public sector employees requested for N56.90 million or 16 per cent. The requests largely came from junior employees of construction companies whose jobs were normally terminated at the end of a contract.

3.7.4 Payments to Foreign Nationals

Approvals were given for the payment of N41.88 million to 51 foreign nationals who disengaged from their various employments. The payment was made en bloc to facilitate their final relocation to their respective countries. The affected beneficiaries were mostly nationals of neighbouring African countries who were employed to provide household/restaurant and other unskilled services to various private sector organizations. Majority of them were employed in construction sites, homes and offices as security guards, office assistants, etc.

3.7.5 Implementation of Group Life Insurance Policy

The Federal Government commenced the Group Life Insurance Scheme through a Pilot Scheme with effect from 1 January 2008. The scheme covers employees of MDAs funded through the Treasury. By that arrangement, the premium for the life insurance

policy was expected to be paid to Life Insurance Companies centrally with funds released by the Budget Office of the Federation (BOF). Insurance companies duly licensed by the National Insurance Commission (NAICOM) have undertaken to pay agreed benefits in the event of death of any employee covered under the Scheme. During the first year (2008) of the pilot scheme, cheques amounting to N717.96 million, being life insurance benefits to 270 beneficiaries of deceased government employees including those who died between 2004 and 2007 were forwarded to PFAs for payment. There were no payments with respect to death cases in 2009.

Evidences of implementation of the life insurance policy were submitted to PenCom by a total of 115 employers comprising pension operators, financial institutions, construction companies and oil and gas companies. Although there was an improvement compared to the preceding year, the rate of compliance was still considered low in comparison to the number of registered companies operating in Nigeria.

3.7.6 Missing Person

During the period under review, PenCom received a report of a missing employee of one of the tertiary institutions of the Federal Government. This necessitated the constitution of a Board of Inquiry in line with the provisions of Section 6 (1) of PRA 2004. The Board was constituted with membership drawn from PenCom, Police, NAICOM, employer of the missing person, and the family representative/Next of Kin (NOK). After the sittings and examination of available facts and information, the Board of Inquiry (BOI) concluded that the missing employee could be presumed dead. This decision had been conveyed to the employer and the process of determination and payment of his terminal benefits commenced.

PART 4

Outlook of The Pension Industry



OUTLOOK OF THE PENSION INDUSTRY

4.1 Regulatory and Supervisory Outlook of the Pension Industry

The regulatory outlook for the pension industry in 2010 would follow two main themes: increased dynamism in regulating pension fund investments and coordination with other regulatory agencies in the financial and non-financial sectors to align policies. There has been the challenge of the dearth of investable instruments to effectively diversify pension fund portfolios. Thus, the development of a dynamic regulation of pension fund investment that would adjust with the vagaries in the economy is imperative to safeguard pension savings. Already the World Bank is supporting PenCom in the development of corporate bond market and new investment vehicles that would improve investment returns. Similarly, plans are underway to introduce multi-funds and allow foreign investments by pension funds. In order to ensure successful implementation of these programmes, research capabilities would be enhanced in investment and risk management.

An overall dialogue between regulators and other supervisory authorities is critical given the importance of pension funds and the need to secure the future of contributors. In this regard, PenCom would increase the level of collaboration with other regulatory agencies to ensure that reforms/changes in one area does not have unintended consequences on the pension industry. Collaboration with regulators would be intensified such as with the Securities and Exchange Commission (SEC) to encourage the development of the corporate bond market; Debt Management Office (DMO) to enhance the secondary market for government bonds; the Central Bank of Nigeria (CBN) to regulate the Commercial Paper market; Federal Inland Revenue Service (FIRS) on tax issues with regards to the issuance of REITs and Corporate Bonds; and the Infrastructure Concession and Regulatory Commission (ICRC) on the issuance of the Infrastructure Bonds, among others would be intensified.

PenCom continued to fine-tune its risk-based supervisory approach in the discharge of its supervisory and regulatory functions. This enabled PenCom to record tremendous successes in all its surveillance activities. These achievements notwithstanding, there were challenges largely promoted by the need to ensure safety in the industry, fair returns on investment and enforcement of compliance with the PRA 2004 and regulations issued by PenCom.

To overcome these challenges and strengthen the drive to ensure full compliance by all employers covered by the CPS and the informal sector, a lot of initiatives were developed to allow PenCom fully regulate and supervise the industry. In this regard, PenCom would acquire and implement a Risk Management and Analysis System (RMAS) that would ensure timely rendition of accurate returns by operators that would allow for reliable off-site assessment of pension operators to be conducted and that would be issued to generate industry reports. Similarly, a framework for the supervision of pension schemes operated by states would be implemented. In addition, a database of working population would be established to enable full implementation of the compliance monitoring framework developed to ensure that employers covered by the CPS are implementing the scheme for their employees.

The framework to uniquely identify contributors and match their pension contributions with their respective RSAs and allow for tracking/reporting of the pension contributions

would be updated. Similarly, plans are in place to develop a framework for a clearing house for the contributors to transfer their RSAs from one PFA to another. To ensure timely processing of retirement benefits, the approval process would be automated and a framework for auctioning annuities for retirees under the CPS would be developed.

Due to the importance of the numerous complaints from stakeholders, the SERVICOM Unit would be empowered to handle broader functions of issues resolution and complaint management.

In all, the future of the industry is bright. However, a stable and predictable macroeconomic environment is a necessary condition for its continuous contribution to the benefit of the Nigerian workers and the economy. The Commission will continue to intensify its enforcement initiatives through the sanction regime as well as legal proceedings against erring employers. Similarly, PenCom would continue to improve its service delivery standards and framework, intensify public education and capacity building in the industry.



PART 5

STATEMENT OF ACCOUNTS

STATEMENT OF ACCOUNTS AS AT 31 DECEMBER, 2009

5.1 AUDITOR'S REPORT

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NATIONAL PENSION COMMISSION

Report on the financial statements

We have audited the accompanying financial statements of National Pension Commission, which comprise the balance sheet as at 31 December 2009, the income statement, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, set out on pages 2 to 13.

Directors' responsibility for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Section 25 of the Pension Reform Act, 2004 and the Commission's rules and regulations, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about 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 of the 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 Directors, 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 financial statements present fairly, in all material respects, the financial position of National Pension Commission as at 31 December 2009, and of its financial performance and its cash flows for the year then ended; the Commission has kept proper books of account, which are in agreement with the balance sheet and income statement, in the manner required by Section 25 of the Pension Reform Act, 2004

Oxintola Williams Deloitte

Chartered Accountants
Abuja, Nigeria
9 June 2010

Audit.Tax.Consulting.Financial Advisory



Member of
Deloitte Touche Tohmatsu

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER, 2009

5.2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies adopted in the preparation of these financial statements:

(a) **Basis of accounting**

The accounts are prepared under the historical cost convention.

(b) **Income recognition**

■ Investment income

Investment income on Government Securities and short term placements are recognised on accrual basis.

■ Budgetary receipts

Receipts from Federal Government are accounted for on modified cash basis.

■ Fees and commissions

Asset based fees

Asset based fees Asset based fees are charged by the Commission on Pension Fund Assets in line with the firms regulation on fee structure, as amended from time to time.

(c) **Fixed assets**

Fixed assets are stated at cost less accumulated depreciation.

(d) **Depreciation**

Depreciation is provided to write off the cost of fixed assets in equal annual installments over their estimated useful lives at the following annual rates:

		%
Motor vehicles	-	25
Furniture and fittings	-	15
Computer equipment	-	33.33
Office machines	-	25
Plant and machinery	-	20

(e) **Stocks**

Stocks are valued at the lower of cost and net realizable value.

(f) **Foreign exchange transactions**

Transactions in foreign currencies are recorded in Naira at the rates of exchange ruling at the time they arise. Assets and liabilities existing in foreign currencies are converted to Naira at the foreign exchange market rates ruling at the balance sheet date. Gains or losses arising on translation are included in the revenue and expenditure account.

(g) **Pension cost**

Arrangement for retirement benefits for members of staff is based on the provisions of the Pension Reform Act, 2004. The Commission and employees contribute between 22.5% and 37.5% of basic, housing and transportation to the scheme. Membership of the scheme is automatic upon resumption of duties with the Commission.

Provision for staff retirement benefits are computed and charged to income and expenditure account.

(h) **Provision**

Provisions are recognised when the Commission has a present obligation, whether legal or constructive as a result of a past event for which it is possible that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER, 2009

5.3 STATEMENT OF INCOME AND EXPENDITURE

	Note	2009 N'000	2008 N'000
Income			
Budgetary receipts	2	260,000	210,000
Fees and commissions	3	2,609,646	2,045,458
Investment income	4	6,552	29,609
Other income		64,396	6,813
Expenditure		2,940,594	2,291,880
Administrative expenses		(2,497,237)	(2,439,908)
Depreciation of fixed assets		(279,274)	(272,245)
Surplus/(deficit) for the year	13	164,083	(420,273)

The accounting policies on pages 2 and 3 and other explanatory notes on pages 7 to 11 for an integral part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER, 2009

5.4 STATEMENT OF ASSETS AND LIABILITY

	Note	2009 N'000	2008 N'000
Assets employed			
Fixed assets	7	1,395,369	1,630,339
Current assets			
Stocks	8	20,239	14,140
Debtors and prepayments	9	550,779	297,933
Bank and cash	10	123,530	11,722
		694,548	323,795
Current liabilities			
Amounts falling due within one year			
Creditors	11	130,136	215,350
Net current assets		564,412	108,445
Total assets less current liabilities		1,959,781	1,738,784
Financed by:			
General reserve fund	13	323,605	102,608
Capital grant	14	1,636,176	1,636,176
		1,959,781	1,738,784
Contingent liabilities			
Contingent liabilities and other obligations on behalf of Federal Government of Nigeria and its employees	15	131,969,964	151,260,549

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



Chief Oluwale A. Adeosun OON



Muhammad K. Ahmad

} Directors

The accounting policies on pages 2 and 3 and other explanatory notes on pages 7 to 11 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2009

5.5 NOTES TO THE FINANCIAL STATEMENTS

1. The Commission

(a) Legal form

The National Pension Commission was established by the Pension Reform Act, 2004 and commenced operations in September 2004.

(b) Principal activities

The principal activities are to regulate, supervise and ensure the effective administration of pension matters in Nigeria.

2. Budgetary receipt

This represents annual grant from Government for operational expenses to supplement the internally generated revenue.

	2009 N'000	2008 N'000
3. Fees and Commissions		
Application and licensing fees	-	17,500
Supervisory fees and levies	2,609,646	2,027,958
	2,609,646	2,045,458

The Commission charged 0.25% (2008:0.30%) on retirement savings account (RSA) and 0.15% (2008:0.20%) on closed pension fund administrators (CPFA) and approved existing schemes (AES).

4. Investment Income

Interest on bank placements	6,552	29,609
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5. Surplus (deficit) for the year

This is stated after charging:

Depreciation	279,274	272,245
Auditor's remuneration	8,000	4,500
Interest income	6,552	29,609

6. Taxation

No provision is made in these financial statements for taxation. The Directors are of the view that no liability will crystallise in future on account of Corporate taxes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2008

7. Fixed assets

	Land & buildings	Motor vehicle	Office equipment	Computer Equip. & software	Plant & machinery	Furniture & fittings	Total
Cost	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance, beginning of year	1,091,789	96,285	60,462	703,222	32,668	129,808	2,114,234
Additions	5,694	86	1,672	27,903	-	7,785	43,140
Disposals	-	(6,211)	-	-	-	-	(6,211)
Balance, end of year	1,097,483	90,160	62,134	731,125	32,668	137,593	2,151,163

Accumulated depreciation

Balance, beginning of year	41,388	66,823	47,570	276,265	12,120	39,729	483,895
Charge for the year	21,890	9,923	6,327	214,991	6,605	19,538	279,274
Disposal	-	(6,211)	-	-	-	-	(6,211)
Adjustment	-	(1,164)	-	-	-	-	(1,164)
Balance, end of year	63,278	69,371	53,897	491,256	18,725	59,267	755,794

Net book value

At 31 December, 2008	1,034,205	20,789	8,237	239,869	13,943	78,326	1,395,369
At 31 December, 2007	1,050,401	29,462	12,892	426,957	20,548	90,079	1,630,339

8. Stocks

Stock of stationery

2009	2008
N'000	N'000
20,239	14,140

9. Debtors and prepayments

Asset based fee debtors
Staff debtors
Prepayments
Other debtors

205,553	158,070
298,718	120,997
29,179	8,312
17,329	10,554
550,779	297,933

10. Bank and cash

Guaranty Trust Bank plc
Zenith International Bank Plc
Union Bank of Nigeria Plc
UBA Plc
Cash at hand

33,728	5,917
19,281	3,837
69,392	698
270	270
2,250	1,000
124,921	11,722

Less provision for doubtful bank and cash balances

(1,391)

123,530 **11,722**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2009

	2009 N'000	2008 N'000
11. Creditors		
Other credit balances	14,343	11,234
Retirement benefits	-	85,334
Dedicated funds	32	61,841
Creditors and accruals	47,052	56,941
Other creditors - Union Bank Plc	68,709	-
	130,136	215,350
<p>Dedicated funds represent funds received from Federal Government of Nigeria to cater for expenses associated with the issuance of bond and terminal benefits. The Commission invests these funds in interest yielding fixed deposit account, interest received thereon is credited to the account.</p>		
12. Pension cost		
Balance, beginning of year	-	-
Charge to income and expenditure	111,174	118,648
	111,174	118,648
Payments in the year	(111,174)	(118,648)
Balance, end of year	-	-
13. General reserve fund		
Balance, beginning of year	102,608	522,881
Prior year adjustment	56,914	-
Surplus/(deficit) for the year	164,083	(420,273)
Balance, end of year	323,605	102,608

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2009

	2009 N'000	2008 N'000
14. Capital grant		
Balance, beginning of year	1,636,176	1,636,176
Receipts during the year	-	486,864
Refund to government	-	(486,864)
Balance, end of year	1,636,176	1,636,176
Dedicated funds represent funds received from Federal Government of Nigeria to cater for expenses associated with the issuance of bond and terminal benefits. The Commission invests these funds in interest yielding fixed deposit account, interest received thereon is credited to the account.		
15. Contingent assets/liabilities (fiduciary funds)		
The Commission holds the following funds on behalf of the Federal Government of Nigeria and its employees.		
a. Contributory Fund Account	122,320,919	117,366,320
b. Retirement Benefits Bond Redemption Fund	9,645,471	33,894,229
Others	3,574	-
	131,969,964	151,260,549

- a. This represents Federal Government of Nigeria employees' and employers' pension contributions and held in CBN in trust for the beneficiaries by the Commission pending determination of amount due to individual employees of the Federal Government and onward transfer to Pension Fund Administrators chosen by these individuals.
- b. The Retirement Benefits Bond Redemption Fund was created in compliance with the provision of Section 29 of the Pension Reform Act 2004. This section places the responsibility for managing and investing the fund on Central Bank of Nigeria (CBN). However, the Commission on behalf of Federal Government of Nigeria has been verifying and ascertaining the accrued pension rights of the retiring employees and advising CBN on the various liabilities and payments to be made to them. The Commission is neither a signatory to nor is it involved in the management of the Account.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2009

	2009 N'000	2008 N'000
16. Reconciliation of net (deficit/surplus) in the year to net cash used in operating activities		
(Deficit)/surplus for the year	164,083	(420,273)
Add: Depreciation	279,274	272,245
Profit on disposal of fixed assets	(311)	-
Prior year adjustment	56,914	-
	499,960	(148,028)
Movement of working capital:		
Stocks	(6,099)	(9,162)
Debtors and prepayments	(282,848)	255,291
Creditors	(85,214)	(40,591)
Net cash provided by operating activities	155,799	57,510
17. Cash and cash equivalents		
Cash at bank	121,280	10,722
Cash at hand	2,250	1,000
	123,530	11,722
18. Employees		
Aggregate payroll costs:	1,508,729	1,276,848
Wages, salaries, allowances and bonus	111,174	118,648
Pension	1,619,903	1,395,496
18.1 Number of employees		
Executives		
Management	5	5
Senior	16	16
Junior	92	92
	9	9
	122	122

19. Post balance sheet events

There were no post balance sheet events which could have had material effect on the balance sheet of the Commission at 31 December, 2009 and on the income and expenditure for the period ended on that date which have not been adequately provided for or recognized in these financial statements.

20. Comparative figures

Certain comparative figures have been reinstated in line with the presentation in the current year.

STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER, 2009

5.6 STATEMENT OF VALUE ADDED

	2009 N'000	%	2008 N'000	%
Income	2,940,594		2,291,880	
Less: Bought materials and services - local	(745,539)		(887,519)	
- foreign	(131,794)		(156,893)	
	2,063,260	100	1,247,468	100
Applied as follows:				
To pay employees' Wages, salaries and other benefits	1,619,903		1,395,496	112
To provide for assets replacement				
Depreciation	279,274		272,245	22
Retained for future growth				
Surplus (Deficit) for the year	164,083		(420,273)	(34)
	2,063,260	100	1,247,468	100

FINANCIAL SUMMARY

5.7 FINANCIAL SUMMARY

31 December	2009 N'000	2008 N'000	2007 N'000	2006 N'000	2005 N'000
FIXED ASSETS	1,395,369	1,630,339	1,362,961	130,451	108,756
WORK IN PROGRESS	-	-	-	350,000	-
CURRENT ASSETS					
Stocks	20,239	14,140	4,978	-	-
Debtors and prepayments	550,779	297,933	551,085	142,052	68,681
Bank and cash	123,530	11,722	495,974	90,615	700,448
	694,548	323,795	1,052,037	232,667	769,129
CURRENT LIABILITIES					
Creditors and accruals	130,136	215,350	255,941	11,356	32,349
Staff retirement benefits	-	-	-	12,851	15,738
	130,136	215,350	255,941	24,207	48,087
Net current assets	564,412	108,445	796,096	208,460	721,042
NET ASSETS	1,959,781	1,738,784	2,159,057	688,911	829,798
FINANCED BY					
Capital grant	1,636,176	1,636,176	1,636,176	434,976	434,976
General revenue fund	323,605	102,608	522,881	253,935	394,822
	1,959,781	1,738,784	2,159,057	688,911	829,798
Contingent assets/liabilities					
Contingent liabilities and other obligations on behalf of Federal Government of Nigeria and its employees	-	151,260,549	155,037,214	55,372,634	55,114,283
Revenue					
Income	2,869,646	2,255,458	1,932,865	439,798	891,019
Other income	70,948	36,422	38,661	27,635	37,647
	2,940,594	2,291,880	1,971,526	467,433	928,666
Less: Expenditure					
Administrative expenses	2,497,237	2,439,908	1,583,617	550,373	496,674
Depreciation of fixed assets	279,274	272,245	118,962	57,948	37,170
(Deficit)/surplus for the year	164,083	(420,273)	268,947	(140,888)	394,822

PART 6

Addresses and Profiles of Pension Operators

6.1 Contact Details of Pension Fund Operators

Table 6.1: Pension Fund Administrators

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
1	Alico Pension Managers Limited	Bola Akindeinde	Plot 2, Oba Akran Avenue, Ikeja Lagos	08056177025, 01-2624667, 2625003	info@alicipension.com www.alicipension.com
2	Amana Capital Pension Limited	Mohammed G. Shuaibu	No 7, Victoria Falls Street, Off Shehu Shagari Way (Behind Legacy House) Maitama, Abuja	08022902465, 09-4615300, 4615380-99	info@amanapension.com www.amanapension.com
3	Apt Pension Funds Managers Limited	Hamza Sule Wuro Bokki	Federal Mortgage Bank House, Plot 266, Cadastral AO, Central Business District, Garki, Abuja	08033139435 09-4614400-29,	info@aptension.com www.aptensions.com
4	ARM Pension Managers (PFA) Limited	Funso Doherty	Plot 698, Sanusi Fafunwa Street, Victoria Island, Lagos	08035260493, 01-2715000	info@armpension.com www.armpension.com
5	Citi Trust Pension Managers Limited	Otunba Otukayode Otufale	Citi Trust Plaza, 10th Floor, 9/11 Catholic Mission Street, Lagos Island, Lagos	08027784632, 01-2645380, 2635381	o.otufale@citiirustpension.com
6	Crib Pension Fund Managers Limited	Yomi Oniwinde	Aret Adams House, Left Wing 2nd Floor, 233 Ikoro Road, Ilupeju, Lagos	07034021818, 08072742736 01-2790866 -7, 01-8978296,	cribpensionfund@yahoo.com www.cribspension.com
7	CrusaderSterling Pensions Limited	Adeniyi Falade	Plot 42, Adeola Hopewell Street, Victoria Island, Lagos	08058004953, 01-2713800-4	info@crusaderpensions.com www.crusaderpensions.com

6.1 Contact Details of Pension Fund Operators

Table 6.1: Pension Fund Administrators (Cont'd)

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
8	Evergreen Pensions Limited	Clement E. John	74 Abak Road, Uyo, Akwa Ibom State	8033238845, 085200285, 085200286	info@evergreenpensions.com www.evergreenpensions.com
9	Fidelity Pension Managers Limited	Obi John Ikechukwu	2 Adeyemo Alakija Street, Victoria Island, Lagos	08033090800, 01-4626968-9, 4626993	info@fidelitypensionmanagers.com www.fidelitypensionmanagers.com
10	First Alliance Pension and Benefits Limited	Ashgar Saeed Yar'Adua	No.23, Aminu Kano Crescent, Wuse II, Abuja	09-4139107, 4131231-4, 4131239	enquiries@firstalliancepension.com www.firstalliancepension.com
11	First Guarantee Pension Limited	Wilson Ideva	Plot 3, Idowu Martins Street, Victoria Island, Lagos	08073399874 09-4130995, 094131006, 094130732-3	info@firstguaranteepension.com www.firstguaranteepension.com
12	Future Unity Glanvills Pensions Limited	Usman B. Suleiman	Plot 1230B Bishop Oluwole Street, Victoria Island, Lagos	08033435906, 01-4627060, 01-4627061	info@fugpensions.com www.fugpensions.com
13	IEI-Anchor Pension Managers Limited	Oyebanji Alaga	No. 51A, Oro Ago Crescent, Garki II, Abuja.	08033007696, 09-3146526, 09-4618900-9	info@anchorpension.com www.anchorpension.com
14	IGI Pension Fund Managers Limited	Yinka Obalade Emmanuel	8, Adeola Odeku Street, Victoria Island, Lagos	08027785055 01-6213043-47	info@igipfm.com www.igipfm.com
15	Leadway Pensure PFA Limited	Mrs. Aderonke Adediji	Afric Place, No. 7 Afric Road, Off Western Avenue, Lagos	08022242181, 01-2800800 01-2800850	info@pensure-nigeria.com www.pensure-nigeria.com
16	Legacy Pension Managers Limited (PFA)	Bello Mohammed Maccido	No. 39, Adetokunbo Ademola Crescent, Wuse II, Abuja	08033082184, 09-6738002, 09-4613500-3, 08059580002	info@legacypension.com www.legacypension.com

6.1 Contact Details of Pension Fund Operators

Table 6.1: Pension Fund Administrators (Cont'd)

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
17	NLPC Pension Fund Administrators Limited	Wale O. Kolawole	No. 312A, Ikoro Road, Anthony, Lagos	08034027008, 01-2793580-2	info@nlpcpfa.com www.nlpcpfa.com
18	Oak Pensions Limited	Micheal O. Olayinka	15B, Oko Awo Street, Off Adetokunbo Ademola Street, Victoria Island, Lagos	08034035607, 01-4614075, 01-4614075	info@oakpensions.com www.oakpensions.com
19	Penman Pensions Limited	Engr. Umaru Kilishi	NACRDB Plaza, Link Block Independence Avenue, Central Business District, Abuja	07038441979, 09-4618900-9, 01-2706401	info@penmanpensions.com www.penmanpension.com
20	Pensions Alliance Limited	Emenike D. Uduanu	7th Floor, Bull Plaza, 38/39 Marina, Lagos	08034039191, 01-2802290 - 3	info@pensionsalliance.com www.pensionsalliance.com
21	Premium Pension Limited	Aliyu AbdulRahaman Dikko	No. 7, Dar-Essalam Street, Off Aminu Kano Crescent, Wuse II, Abuja	08035606044, 09-4615701 - 5, 09-461 5700	info@premiumpension.com www.premiumpension.com
22	Royal Trust Pension Fund Administrator Ltd	Okechukwu Okorie	Plot 2107 Tafawa Balewa Way, Area 3, Garki, Abuja	08033242553, 09-780042, 09-7802508	royalinfo@royaltrustpfa.com www.royaltrustpfa.com
23	Sigma Pensions Limited	Adamu M. Modibbo	No. 29 Durban Street Off Adetokunbo Ademola Wuse II, Abuja Crescent,	08025014950, 09-4613333, 09-5237787, 09-5237816	info@sigmapensions.com www.sigmapensions.com
24	Stanbic IBTC Pension Managers Limited	Obinnia Abajue	Plot 1678, OluKunle Bakare Close, Victoria Island, Lagos	08034020098, 01-2716000	pensionmanagers@stanbicibtc.com www.stanbicibtc.com

6.1 Contact Details of Pension Fund Operators

Table 6.1: Pension Fund Administrators (Cont'd)

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
25	Standard Alliance Pension Managers Limited	Ademola Aina Adebayo	9, Younis Bashorun Street, Off Ajose Adeogun Street, Victoria Island, Lagos	08033205461, 01-4626921-3	info@sapensionng.com www.sapensionng.com
26	Trustfund Pensions Plc	Bernard N. Ekwe	Plot 820/821, Labour House, Central Business District, Abuja	080330304272, 08057003000, 08056000102, 08069778760, 09-6710699	info@trustfundpensions.com www.trustfundpensions.com

Table 6.2: Closed Pension Fund Administrators

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
1.	Chevron Nigeria Pension Plan Limited	Obafunke Alade-Adeyefa	SPG Complex (Agungi Bus Stop), Lekki/Ajah Express Way, Lagos	08035250363, 01-2600600, 01-3661828, 01-3668129	info@chevron.com/nigeria www.chevron.com/nigeria
2.	Nestle Nigeria Trust (CPFA) Limited	Michael Olufemi Awotodu	22/24 Industrial Avenue, Ilupeju, Lagos	08034020172,	info@ng.nestle.com www.ng.nestle.com
3.	Nigerian Agip CPFA Limited	Chukwudi N. Illoh	258A, Etim Inyang Crescent, Victoria Island, Lagos	07034060851, 01-2600100-9, 01-2621600-9	info@naoc.agip.it www.naoc.agip.it
4.	Progress Trust CPFA Limited	Mrs. H.T. Lawani	Iganmu House, No 1, Abebe Village Road, Iganmu, Lagos	08053184274, 01-5801340	info@progresstrustcpfa.com www.progresstrustcpfa.com
5.	Shell Nig. Closed Pension Fund Administrator Ltd	Mrs. Yemisi Ayeni	1st Floor C-Wing, Bank of Industry Building, 23 Marina, Lagos	08070362007, 08070269999, 01-2769999	info@shellnigeria.com www.shellnigeria.com
6.	Total (E and P) Nigeria CPFA Limited	Godwill Dike	Plot 25, Trans Amadi Industrial Layout, Port Harcourt.	08039793973, 01-2623720-38	info@total.com www.total.com
7.	Unico CPFA Limited	Mrs. Muyibat Abbas	Niger House, 1-5 Odunlami Street, Lagos	08033340592, 01-2661756; 01-7943025, 01-7410932, 01-7410928	unico@uacnplc.com www.unicocpfa.com

Table 6.3: Pension Fund Custodians

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
1.	Diamond Pension Fund Custodian Limited	Emeka Osuji	1A Tiamiyu Savage Street, Victoria Island, Lagos	08033066986, 01-2713954, 01-2713680, 01-723161, 01-4613753	info@diamondbank.com www.diamondbank.com
2.	First Pension Custodian Nigeria Limited	Akinwumi Fanimokun	124 Awolowo Road, Ikoyi, Lagos	08022901979, 01-2713217, 01-82692736	info@firstcustodiannigeria.com www.firstpensioncustodian.com
3.	Oceanic Pension Fund Custodian Limited	Vacant	18A Ozumba Mbadiwe Avenue, Victoria Island Lagos	01-2806045, 01-2806046, 01-2806043, 01-2806032	enquiries@oceanicpfc.com www.oceanicpfc.com
4.	UBA Pensions Custodian Limited	Mrs. Oluwatomi A. Soyode	Plot 22b, Idowu Taylor Street, Victoria Island, Lagos	08038077700, 01-2718000-4	info@ubagroup.com www.ubagroup.com
5.	Zenith Pensions Custodian Limited	Lara Alagbada	2nd Floor, Zenith Heights, Plot 87, Ajose Adeogun Street, Victoria Island, Lagos	08022912607, 01-2782900 - 30	enquiries@zenithcustodian.com www.zenithcustodian.com

6.2 Profile of Pension Fund Operators

Table 6.4: Profile of Pension Fund Administrators

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches/Centres	External Auditors
1.	Alico Pension Managers	Chief (Dr.) Rasheed Gbadamosi, OFR J. B. Akindeinde Chief (Dr.) S. I. Adegbite, OFR Chief (Dr.) O. Fajemirokun S. D. A. Shobanjo Adeboye Shonekan B. J. Oluwadiya Abimbola Siyanbola	400.0	36	Ernst & Young 2A Bayo Kuku Street, Ikoyi, Lagos Tel: 01-4630479-80
2.	Amana Capital Pension Limited	Chief O. C. Harry JP. Modibbo Yusufu Aliyu Mohammed Gulani Shuaibu Effiong S. O. Onwionoko Abubakar Muhammed Mann Yaro-Alhaji Jinjiri Mohammed Bashir Tukur Edward O. Akerele Bello Mustapha Belei Babajika Mustafa	500.0	10	P. A. Adebimpe & Co. First Floor Wema Bank Building, Central Business District, Abuja Tel: 08036858830
3.	APT Pension Funds Managers Limited	Al-Mujtaba Abubakar Gumi Hamza Sule Wuro Bokki Kasimu Garba Kurfi Ahmed Rufai Aiti Danfuloti Kado Guga	150.5	39	Muhtari Dangana & Co. (Chartered Accountants) 12, Bompai Road, Kano

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches/ Service Centres	External Auditors
4.	ARM Pension Managers Limited	Christopher Nonyelum Okeke Funsho Doherty Ayodeji Ali Ms. Jumoke Ogundare Emmanuel Ikazoboh	400.0	27	KPMG Professional Services. 22A, Gerrard Road, Ikoyi, Lagos Tel: 01-2694660-4 01-4630290-3
5.	Citi Trust Pension Managers Limited	Otunba Otukayode Otufale Olusegun Olusanya Chief Alex Duduyemi Chief Adedotun B. Adebajojo	200.0	0	Oyelami Soetan Adeleke & Co (Chartered Accountants), Kresta Laurel Complex, 4 th Floor, 376 Ikorodu Road, Maryland, Lagos Tel: 01-7744873, 4935391
6.	Crib Pension Fund Managers Limited	Chief Babajide Olatunde-Agbeja Yomi Oniwinde Adedotun Ogunwoolu Mrs. Bola Onigbogi Adegboyega Isiaka Oyetola Oluamide Koya Kenneth Etim Femi Olubanwo Bode Olatunji Ms. Mojisola Agbabiaka	200.0	6	SIAO (Chartered Accountants), 18B, Temple Road, Ikoyi, Lagos Tel: 01-4630867, 01-4630873

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches/Service Centres	External Auditors
7.	Crusader Sterling Pension Limited	<p>Olutola O. Mobolurin Adeniyi Falade Gabriel O. A. Oyelami Adewale Adewunmi Lanre Adesanya Joseph O. Ameh Tofarati Augusto Razack Adeyemi Adeola Benediktler C. Molokwu</p>	725.6	30	<p>Pannell Kerr Forster NACRDB Building 4th Floor Independence Way, CBD, Abuja Tel: 08034086939 08080411569</p>
8.	Evergreen Pensions Limited	<p>Ini Etuk Clement Etim John Elder (Mrs.) Ukeme Esang Mrs. Comfort Essien Mrs. N. A. Roberts Ubong Awah</p>	200.0	6	<p>Dan Oku & Co. (Chartered Accts. & Consultants) No. 2, Offiong Ekpo Close, Off. 65, Marian Extension, Calabar Tel: 08033181182</p>
9.	Fidelity Pension Managers Limited	<p>Chief Christopher Eze John Obi Frank Onwu Maj. Gen. Mohammed Magoro (Rtd) Mike Osime Reginald Ihejahi</p>	350.0	24	<p>Akintola Williams Deloitte & Touche 235, Ikorodu Road, Ilupeju, Lagos Tel: 01-4930720-4</p>

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches/Service Centres	External Auditors
10.	First Alliance Pension & Benefits Limited	Dan Akujobi Ashgar Saeed Yar'adua Jibrin D. Chinade M. T. Liman A. V. M. George Martins Olufunsho (Rtd) Arc. Thomas Awagu Bruce Dunnington	206.0	0	Akintola Williams Deloitte & Touche 235, Ikorodu Road, Ilupeju, Lagos Tel: 01-4930720-4
11.	First Guarantee Pension Limited	Olaiya O. Ojo Nze Chidi Duru Wilson Ideva Nnamdi Annamah Tsegba Temgu	200.0	33	Spiropoulos, Adeleke, Okpara & Co 6th floor, 16A Commercial Avenue, Sabo Yaba, Lagos Tel: 01-7648699, 01- 7744970
12.	Future Unity Glanvill Pensioners Limited	Mrs. Elizabeth Ebi Usman B. Suleiman Mrs. Folasade Onanuga Richard Asabia D. P. O. Uju Kayode Pitan	500.0	21	KPMG Professional Services A Gerrard Road, Ikoyi Lagos Tel: 01-2694660-4, 01-4630290-3
13.	IEL-Anchor Pension Managers Limited	Sen. (Dr.) Jonathan Silas Zwingina Oyebanji Alaga Kinsely K. Elekenachi AbdulAzeez Abubakar Ibrahim Rufa' S. Hanga Ifie Sekibo M. P. Anthony Madojemu Okurede Dr. Obadia Mailafiya	1,000.0	14	KPMG Professional Services 22A Gerrard Road, Ikoyi Lagos Tel: 01-2694660-4 01-4630290-3

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Chairman Managing Director/CEO Executive Director Director Director Director Director Director Director Director Director (Alternate)	Paid-up Share Capital (N' million)	Number of Branches/Service Centres	External Auditors
14.	IGI Pension Fund Managers Limited	Apostle (Dr.) Hayford Aille, OFR Yinka Obalade Doyin Adebambo Remi Olowude, OON Gen. (Dr.) Yakubu Gowon, GCFR Rotimi Fashola Chief Eugene Okwor Lt. Gen. Garba Duba (Rtd) Mrs. Aderonke Adediji Oye Hassan-Odukale Yugandhora S. Rao Kofo Majekodunmi Tunde Hassan-Odukale Ike Osakwe Wole Oshin Olutayo Odunsi	Chairman Managing Director/CEO Executive Director Director Director Director Director Director Director Director (Alternate)	250.0	4	Lawal Obayomi & Co. Chartered Accountants 54, Agbanyi Road Ogudu - Ojota, Lagos Tel: 08033043052 08055253292 08033020719 01 - 8165178
15.	Leadway Pensure PFA Limited		Chairman Managing Director/CEO Director Director Director Director Director Director Director (Alternate)	500.0	36	Akintola cWilliams Deloitte & Touche 235, Ikorodu Road, Ilupeju, Lagos Tel: 01-4930720-4
16.	Legacy Pension Managers Limited PFA	Mahey Rasheed Rafindadi Bello Mohammed Maccido Ahmed Lawan Kuru Baba Mohammed Aliyu Hassan Agwai Mohammed Hassan Danbaba Marafa Segun Fawora Lamis Dikko	Chairman Managing Director/CEO Director Director Director Director Director Director	300.0	28	KPMG Professional Services 22A Gerrard Road, Ikoyi Lagos Tel: 01-2694660-4. 01-4630290-3

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches/Service Centres	External Auditors
17.	NLPC Pension Fund Administrators Ltd.	J. O. Emmanuel A. O. Kolawole Mrs. C. O. Oyeleye E. O. Eleramo Chief F. R. A. Marinho A. A. Alkali Senator O. O. Omilani S. Ayo Twins	300.0	20	Aljibade Durojaiye & Co (Chartered Accountants) 27 Ajayi - Aina Street Ifako-Gbagada Tel: 01-7747925, 08085526749
18.	Oak Pensions Limited	Ambrose Feese M. O. Olayinka Mrs. F. Babington- Ashaye Peter Amesadaji K. M. Sagoe M. I. Baba	300.0	50	KPMG Professional Services 22A Gerrard Road, Ikoyi Lagos Tel: 01-2694660-4, 01-4630290-3
19.	Penman Pensions Limited	(Dr.) Umaru A. Mutallab, CON Ahmad Bello Amb. Ibrahim Y. Abdullahi, OON Dr. Suleyman Ndanusa, OON Umaru Kwairanga Abdulkadir Idris Adekunle O. Alonge Engr. Boni C. Madubunyi Barrister Wada Ibrahim Sulaiman Dauda Karofi Anthony E. Nzenwala	497.45	6	Pannel Kerr Forster 18/19 Ahmadu Bello Way, Kaduna Tel: 062-248600
20.	Pensions Alliance Limited	Rilwan Bello Osagie Aigboje Higo, Jnr. Hamda Ambah Daniel Agbor	713.7	32	KPMG Professional Services 22A Gerrard Road, Ikoyi Lagos Tel: 01-2694660-4, 01-4630290-3

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Chairman Managing Director/CEO	Paid-up Share Capital (N' million)	Number of Branches/Service Centres	External Auditors
21.	Premium Pension Limited	Mohammed Sabitu Baba Aliyu A. Dikko Arc. Sale M. Yunusa Abdullahi Yahaya Umar Usman Zama Arc. Yunusa Yakubu Dr. (Mrs) Virgy Anzohu A. Y. B. Adeshina	Chairman Managing Director/CEO Director Director Director Director Director	597.0	18	PriceWaterhouseCoopers (PWC) Plot 252E Muri Okunola Street Off Ajose Adeogun Street Victoria Island, Lagos Tel. 01-2711700
22.	Royal Trust Pension Fund Administrator Limited	Owelle Prince C. N. Ukachukwu Lawan A Hassan Okey J. Moka Prince Nasir Ado Bayero Hon. Ben Nwankwo Princess Millicent Ukachukwu Daniel Nwokedi Chief Fabian Nwaora Prince Tokunbo Sijuade	Chairman Director Ag. MD/CEO Director Director Director Director Director Director	300.0	3	KL & Co. (Nigeria) Chartered Accountants Suite 26/27E, Sabon Dale Shopping Complex Plot 525, Obafemi Awolowo Way, Jabi District Abuja
23.	Stanbic IBTC Pension Managers Limited	Atedo N. A. Peterside, OON Obinna Abajue Eric Fajemisin Yinka Sanni Ahmed Dasuki Mrs. Olusola A. David-Borha Okey Nwuke Christopher John Bland Newson Mrs. Aniola Durosinni Etti Oladiipo Ajose-Adeogun	Chairman Ag. MD/CEO Executive Director Director Director Director Director Director Independent Director	500.0	160	PriceWaterhouseCoopers (PWC) Off Ajose Adeogun Street, Victoria Island, Lagos Tel: 01-2711700 01-2703101-15

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches/Service Centres	External Auditors
24.	Sigma Vauhgn Sterling Pensions Ltd	<p>Alhaji Rasaki Olatunji Adamu M. Modibbo Rick Veringa Chief Cletus Imasuen Umaru H. Modibbo Mrs. Titilayo T. Adebisi Mohammed A. Jalingo Dunami Stanley Balami Ms. Yimbe Joi Nuniab</p>	890.0	22	Muhtari Dangana & Co (Chartered Accountants) Aminu Kano Crescent, Wuse II, Abuja Tel: 09-4132590. 08023316439
25.	Standard Alliance Pension Managers Limited	<p>Olorogun O'lega Emerhor Ademola Alna Adebayo David Joshua Nsikakabasi Bode Akinboye Patrick Bassey Ahmed Salawudeen Austin Enajemo-Isire Muhammad Inam Yahaya, OFR David Joshua Dr. M. Yahaya</p>	200.0	-	Muhtari Dangana & Co (Chartered Accountants) Aminu Kano Crescent, Wuse II, Abuja Tel: 09-4132590. 08023316439
26.	Trustfund Pensions PLC	<p>Suleiman Kassimi, mni Bernard N. Ekwe Peter Ezele John Odah Ismail M. Agaka Akinwumi Olatunji Enukora Okoli Awa C. Chukwu</p>	800.0	105	Ernst & Young (Chartered Accountants) 2A, Bayo Kuku Street, Ikoyi, Lagos 01-4630479-80 Muhtari Dangana & Co (Chartered Accountants) Aminu Kano Crescent, Wuse II, Abuja Tel: 09-4132590.

Table 6.5: Profile of Pension Fund Administrators

S/N	CPFA Name	Name of Director	Appointment	External Auditors
1.	Chevron Nigeria Pension Plan Limited	Olafunke Alade-Adeyefa F. D. Nelson Tom G. Hoffman T. Socha Ike Oguine Ezekiel O. Shadiya Emmanuel O. Imafidon	Chairman Managing Director/CEO Director Director Director Director Director	PriceWaterHouseCoopers 252E Muri Okundia Street, Off Ajose Adeogun, Victoria Island, Lagos Tel: 01-2711700 01-2703101 - 15
2.	Nestle Nigeria Trust (CPFA) Limited	Martins Woolnooth M. O. Awotodu S. O. Solesi Martins Krugel David C. Ifezulike	Chairman General Manager/CEO Director Director	KPMG Professional Services 22A Gerrard Road, Ikoyi, Lagos Tel: 01-2694660 - 4 01-4630290 - 3
3.	Nigerian Agip CPFA Limited	Carlo V. Russo Chukwudi N. Illoh Daru Owei Stefano Pujatti	Chairman Managing Director Director Director	PriceWaterHouseCoopers 252E Muri Okundia Street, Off Ajose Adeogun, Victoria Island, Lagos Tel: 01-2711700, 01-2703101 - 15
4.	Progress Trust CPFA Limited	M. J. Herkemij Mrs. H. T. Lawani C.O. Oke V. N. Onwuadiamu L. LeCouedic	Chairman Managing Director/CEO Director Director Director	PriceWaterHouseCoopers 252E Muri Okundia Street, Off Ajose Adeogun, Victoria Island, Lagos Tel: 01-2711700, 01-2703101 - 15
5.	Shell Nig. Closed Pension Fund Administrator Ltd	Basil E. Omiyi Mutiu Sunmonu Mrs. Yemisi Ayeni Osagie Okunbor Mr. Felix O. A. Ohiwerei Mrs. Claire Ighodaro Esa Ikaheimmen	Chairman Alternate Chairman Managing Director/CEO Director Independent Director Director Director	PriceWaterHouseCoopers 252E Muri Okundia Street, Off Ajose Adeogun, Victoria Island, Lagos Tel: 01-2711700 01-2703101 - 15

Table 6.5: Profile of Pension Fund Administrators (Cont'd)

S/N	CPFA Name	Name of Director	Appointment	External Auditors
6.	Total (E and P) Nigeria CPFA Limited	Alex Musa Godwill Dike Mrs. Carol Mirt Peter Igbonnia Obembe Oluburn Mrs. Chantil Belliard Chijioke Udoba Michael Anwankuo Dornu Kogam	Chairman Managing Director/CEO Director Director Director Director Director Director	KPMG Professional Services 22A Gerrard Road, Ikoyi, Lagos
7.	Unico CPFA Limited	Larry Ephariam Ettah Mrs. Muhibat O. Idowu Abbas Julius O. Oshomoji	Chairman Managing Director/CEO Director	Akintola Williams Deloitte & Touche, 235, Ikorodu Road, Ilupeju, Lagos

Table 6.6: Profile of Pension Fund Administrators

S/N	PFC Name	Name of Director	Appointment	Paid-up Share Capital (N' million)	External Auditors
1.	Diamond Bank Custodian Nigeria Limited	Emeka Osuji Dr. Yerima Ngama Prof. T. A. J. Ogunbiyi	Managing Director/CEO Director Director	2,000.0	PriceWaterHouseCoopers 252E Muri Okunola Street, Off Ajose Adeogun, Victoria Island, Lagos Tel: 01-2711700 01-2703101 - 15
2.	First Pension Custodian Nigeria Limited	Chief (Dr) Joseph Sanusi, CON Stephen O. Onasanya Muhammad Ibrahim, OFR Abdullahi Mahmud Dr. Ayoola Oba Oludoko, OFR Jacobs Moyo Ajekigbe	Chairman Managing Director/CEO Director Director Director Director	2,000.0	KPMG Professional Services 22A Gerrard Road, Ikoyi, Lagos Tel: 01-2694660-4 01-4630290-3
3.	Oceanic Pension Fund Custodian Limited	Dr. Mrs. Ibru Cecilia Duru Patrick Dr. Austen-Peters A. Olufarotimi Ibru Oboden Oye Dele Ciroma Mohammed	Chairman Managing Director Director Director Director Director	2,000.0	PriceWaterHouseCoopers 252E Muri Okunola Street, Off Ajose Adeogun, Victoria Island, Lagos Tel: 01-2711700 01-2703101 - 15
4.	UBA Pensions Custodian Limited	Victor Odozi Mrs. Tomi Soyode Victor Osadolor Bismarck Rewane Emmanuel Nnorom	Chairman Managing Director/CEO Director Director Director	2,000.0	Messrs Akintola Williams Deloitte & Touche, 235, Ikorodu Road, Ilupeju, Lagos Tel: 01-4930720-4

Table 6.6: Profile of Pension Fund Administrators (Cont'd)

S/N	PFC Name	Name of Director	Appointment	Paid-up Share Capital (N' million)	External Auditors
5.	Zenith Pensions Custodian Limited	<p>Jim Ovia</p> <p>Lara Alagbada</p> <p>Vincent Ebuh</p> <p>Godwin Emeifele</p> <p>Elias Igbin-Akenzua</p> <p>Peter Amangbo</p> <p>Apollos Ikpobe</p> <p>Adaora Urneoji</p> <p>Osadebe Osakwe</p> <p>Prof. Grace Alele Williams</p>	<p>Chairman</p> <p>Managing Director/CEO</p> <p>Independent Director</p> <p>Director</p> <p>Director</p> <p>Director</p> <p>Director</p> <p>Director</p> <p>Independent Director</p>	2,000.0	<p>PriceWaterHouseCoopers</p> <p>252E Muri Okunola Street,</p> <p>Off Ajose Adeogun, Victoria</p> <p>Island, Lagos</p> <p>Tel: 01-2711700</p> <p>01-2703101-15</p>