



Benchmark Retirement Fund

Extract from the Annual Financial Statements for the year ended 31 December 2010



Administered by
Retirement Fund Solutions

REGULATORY INFORMATION

For the period ended 31 December 2010

Registered Office of the Fund

Postal address: P. O. Box 80349
Windhoek
Namibia

Physical address: Corner of Feld Street and Newton Street
Windhoek
Namibia

Board of Trustees

Full name	Capacity*	Date appointed	Date resigned
T.H. Friedrich	C, B	1/1/2000	
M.S. Gustafsson	B	1/1/2000	
M. Fabianus	B	1/1/2003	
W. Böttger	I	1/1/2010	
H. Müseler	I	11/7/2006	
M. Moeller	I	11/7/2006	

*- 'C' denotes chairperson

*- 'I' denotes independent

*- 'B' denotes founder appointed trustee

Fund Officers

Full name:	Mr GA Pfeifer
Postal address:	P.O. Box 80349 Windhoek
Physical address:	Corner of Feld Street and Newton Street Windhoek
Telephone number:	061- 231 590
Email address:	gpfeifer@rfsol.com.na
Date appointed:	1-Apr-09

Auditors

Full name:	KPMG Namibia
Postal address:	P.O.Box 30 Windhoek Namibia
Physical address:	24 Orban Street Klein Windhoek Windhoek Namibia
Telephone number:	061-387 500
Qualifications:	Chartered Accountants
Date appointed:	22-Nov-07



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Type of fund

For the purpose of the prescribed financial statements of the Fund, the Fund is classified as a defined contribution fund. The Fund is also approved in terms of section 1 of the Income Tax Act, Number 24 of 1981.

Benefits of the Fund

The Fund is a defined contribution fund. It offers no investment guarantees and the value of every member's investment will be determined by reference to net contributions received for the member and net investment returns generated by the selected investment administrator, in terms of the agreement entered into between the investment administrator and the Fund.

The Fund offers a 'living annuity' pension arrangement. Pensioners may once a year choose the level of income required, which may not be less than 5% of the pensioner's capital at the beginning of every year and may not exceed 20% thereof. Any balance remaining in the pensioner's account upon the death of the pensioner and payable as a lump sum shall be disposed in terms of Section 37C of the Pension Funds Act, taking into account any guidelines provided by the pensioner. Any annuity payable shall be paid over a minimum period of 5 years.

The Fund offers contributory membership to employees within an employer group, to contributory individuals as well as dormant membership to former employees who wish to preserve their retirement capital tax efficiently.

Death and disability benefits arranged by the participating employer for its members in addition to the member's share in the Fund, are fully reinsured and range from lump sum benefits to annuities for members and dependants of former members.

Contributions

Members and participating employers contribute at such a rate as committed to in the relevant application form.

Reserve Account

The Fund Reserve Account comprises the employer reserve account and general reserve account. The employer reserve account increased from N\$15 225 760 to N\$16 297 346 during the year under review. The general reserve account increased from N\$3 493 077 to N\$4 202 678.

Investment strategy

All participating employers and individuals may utilise an investment manager or a combination of managers approved by the Fund. For participating employers who do not wish to become involved in investment decisions in respect of their employees, the Metropolitan Namibia Absolute Return Fund portfolio and the Prudential Namibia Inflation Plus Unit Trust are utilised as the default investment portfolio. In December 2010 the trustees resolved to replace the Metropolitan Namibia Absolute Return Fund in the Default Portfolio with the Allan Gray Namibia Investment Trust portfolio.

The Fund has investment agreements with Allan Gray Namibia (Pty) Ltd, Investec Asset Management Namibia (Pty) Ltd, Investment Solutions Namibia Ltd, Old Mutual Investment Group Namibia (Pty) Ltd, Sanlam Life Namibia Ltd, SBN Unit Trust Management (Pty) Ltd, Metropolitan Namibia Ltd, Prudential Portfolio Managers (Namibia) (Pty) Ltd, Capricorn Asset Management (Pty) Ltd and Namibia Asset Management Ltd. The investment policy as included in the mandate to the investment administrators is to achieve in the long term an optimum return taking into account associated risks and to maximize capital growth.

The Fund's investments consist of trusts or unit trusts with Allan Gray Namibia (Pty) Ltd, Investec Asset Management Namibia (Pty) Ltd, Capricorn Asset Management (Pty) Ltd, SBN Unit Trust Management (Pty) Ltd, Prudential Portfolio Managers (Namibia) (Pty) Ltd and Namibia Asset Management Ltd; and insurance policies with Investment Solutions Namibia Ltd, Old Mutual Investment Group Namibia (Pty) Ltd, Sanlam Life Namibia Ltd and Metropolitan Namibia Ltd. These investment administrators have complete discretion as to the composition of their share of the portfolio within the boundaries allowed by the Pension Funds Act in Namibia and subject to the mandate of the Trustees. The Board of Trustees meets regularly to discuss the investment policy and to monitor the asset allocation and performance of the investment administrators against the investment strategy of the Fund.



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The fair value of the Fund's investments administered by the investment administrators at the end of the period is:

	2010	2009
	N\$	N\$
Investec Asset Management (Namibia) (Pty) Ltd	56 167 087	16 948 938
Allan Gray Namibia (Pty) Ltd	321 161 332	193 805 953
Prudential Portfolio Managers (Namibia) (Pty) Ltd	139 482 716	108 782 499
Metropolitan Namibia Ltd	1 830 734	61 473 175
Old Mutual Investment Group Namibia (Pty) Ltd	16 719 394	15 171 892
Sanlam Life Namibia Ltd	595 537	390 497
SBN Unit Trust Management (Pty) Ltd	1 353 943	1 014 698
Investment Solutions Namibia Ltd	406 289	420 679
Capricorn Asset Management (Pty) Ltd	48 542 344	56 459 962
Namibia Asset Management Ltd	6 469 457	-
Total investments managed by investment administrators	592 728 833	454 468 293

MEMBERSHIP

	Active members	Deferred pensioners	Pensioners
Membership as at 31 December 2009	3 725	362	48
Additions	1 075	143	10
Transfers in	577	-	5
Withdrawals	(687)	(140)	-
Retirements	(21)	-	-
Deaths	(19)	(1)	(1)
Membership as at 31 December 2010	4 650	364	62

ACTUARIAL VALUATION

The financial statements summarise the transactions and net assets of the Fund.

The Fund is exempt from having actuarial valuations performed, however, an actuarial valuation is performed yearly. An actuarial valuation was performed for the year ended 31 December 2009.

The actuarial valuation for the year ended 31 December 2010 is currently being performed.

The actuary's report is provided to all participating employers and is made available in abbreviated form on the Fund's website.



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	Active Members' individual accounts	Pensioners' accounts	Reserve accounts	Total	Total	Active Members' individual accounts	Pensioners' accounts	Reserve accounts
	2010 N\$	2010 N\$	2010 N\$	2010 N\$	2009 N\$	2009 N\$	2009 N\$	2009 N\$
Contributions received	61 640 750	--	16 524 323	78 165 073	156 786 075	138 685 733	--	18 100 342
Net investment income	--	--	47 901 138	47 901 138	40 733 189	--	--	40 733 189
Reinsurance proceeds	10 533 530	--	--	10 533 150	764 728	764 728	--	--
Less:	--	--	(23 580 623)	(23 580 623)	(20 539 090)	--	--	(20 539 090)
Reinsurance premiums	--	--	(11 010 917)	(11 010 917)	(8 467 932)	--	--	(8 467 932)
Administration expenses	--	--	(12 569 706)	(12 569 706)	(12 071 158)	--	--	(12 071 158)
Net income before transfers and benefits	72 174 280	--	40 844 838	113 019 118	177 744 902	139 450 461	--	38 294 441
Transfers and benefits	17 756 900	3 607 917	5 585 116	26 949 933	(84 795 626)	(100 599 119)	14 726 034	1 077 459
Transfers from other funds	177 486 091	9 459 300	5 815 380	192 760 771	64 723 469	44 766 163	18 938 567	1 018 739
Benefits	(159 729 191)	(5 851 383)	(230 264)	(165 810 838)	(149 519 095)	(145 365 282)	(4 212 533)	58 720
Net income after transfers and benefits	89 931 180	3 607 917	46 429 954	139 969 050	92 949 276	38 851 342	14 726 034	39 371 900
Balance at beginning of period	378 750 430	58 083 581	18 718 837	455 552 848	362 603 572	309 295 227	38 197 028	15 111 317
Investment income allocated	36 258 639	5 829 475	(42 088 115)	--	--	30 298 434	5 160 519	(35 458 953)
	504 940 249	67 520 973	23 060 676	595 521 898	455 552 848	378 445 003	58 083 581	19 024 264
Transfer between reserve accounts and active members' individual accounts	2 560 652	--	(2 560 652)	--	--	305 427	--	(305 427)
Transfer between active members' individual accounts and pensioners' accounts	(4 663 247)	4 663 247	--	--	--	--	--	--
Balance at end of period	502 837 654	72 184 220	20 500 024	595 521 898	455 552 848	378 750 430	58 083 581	18 718 837



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STATEMENT OF NET ASSETS AND FUNDS At 31 December 2010

	2010 N\$	2009 N\$
ASSETS		
Non-current assets	594 327 965	456 446 805
Investments	592 728 833	454 468 293
Housing loans	1 599 132	1 978 512
Current assets	32 657 024	15 011 685
Accounts receivable	727 394	136 616
Contributions receivable	5 218 888	3 882 776
Cash at bank	26 710 742	10 992 293
Total assets	626 984 989	471 458 490
FUNDS AND LIABILITIES		
Members' funds		
Active Members' individual accounts	502 837 654	378 750 430
Reserve account	20 500 024	18 718 837
Pensioners' account	72 184 220	58 083 581
Total funds and reserves	595 521 898	455 552 848
Non-current liabilities	469 682	273 084
Unclaimed benefits	469 682	273 084
Current liabilities	30 993 409	15 632 558
Benefits payable	29 647 641	14 130 540
Accounts payable	1 345 768	1 502 018
Total funds and liabilities	626 984 989	471 458 490