



Benchmark Retirement Fund

Extract from the Annual Financial Statements for the year ended 31 December 2011

REGULATORY INFORMATION

For the period ended 31 December 2011

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
Harald Müseler	C, I	11/7/2006	
Martin Moeller	I	11/7/2006	
Afra Schimming-Chase	I	1/1/2011	
Tilman Friedrich	F	1/1/2000	
Mark Gustafsson	F	1/1/2000	
Marthinuz Fabianus	F	1/1/2003	
Walter Böttger	I	1/1/2010	06/02/2011

*- 'C' denotes chairperson

*- 'I' denotes independent Trustee

*- 'F' denotes founder appointed Trustee

Principal Officer

Full name:	Günter Pfeifer
Postal address:	P.O. Box 80349 Windhoek Namibia
Physical address:	Corner of Feld Street and Newton Street Windhoek Namibia
Telephone number:	061- 231 590
Email address:	gpfeifer@rfsol.com.na
Date appointed:	01/04/2009

Auditor

Full name:	KPMG Namibia
Postal address:	P.O.Box 86863 Windhoek Namibia
Physical address:	30 Schanzenweg Windhoek Namibia
Telephone number:	061-387 500
Qualifications:	Chartered Accountants
Date appointed:	22/11/2007



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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 decreased from N\$16 297 346 to N\$14 294 000 during the year under review. The general reserve account increased from N\$4 202 678 to N\$4 513 297.

Investments

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 Allan Gray Namibia Investment Trust and the Prudential Namibia Inflation Plus Unit Trust are utilised as the default investment 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 Investment Management Namibia (Pty) Ltd, Stanlib Namibia (Pty) 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 optimise capital growth.

The Fund's investments consist of a trust with Allan Gray Namibia (Pty) Ltd, unit trusts with Investec Asset Management Namibia (Pty) Ltd, Capricorn Asset Management (Pty) Ltd, Stanlib Namibia (Pty) Ltd, Prudential Portfolio Managers (Namibia) (Pty) Ltd, Sanlam Investment Management Namibia (Pty) Ltd and Namibia Asset Management Ltd, and insurance policies with Investment Solutions Namibia Ltd and Old Mutual Investment Group Namibia (Pty) 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 review 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:

	2011	2010
	N\$	N\$
Allan Gray Namibia (Pty) Ltd	399 290 275	321 161 332
Capricorn Asset Management (Pty) Ltd	59 350 311	48 542 344
Investec Asset Management (Namibia) (Pty) Ltd	99 209 701	56 167 087
Investment Solutions Namibia Ltd	632 546	406 289
Metropolitan Namibia Ltd	-	1 830 734
Namibia Asset Management Ltd	8 634 492	6 469 457
Old Mutual Investment Group Namibia (Pty) Ltd	18 141 313	16 719 394
Prudential Portfolio Managers (Namibia) (Pty) Ltd	191 641 215	139 482 716
Sanlam Investment Management Namibia (Pty) Ltd	1 144 512	595 537
Stanlib Namibia (Pty) Ltf	3 069 628	1 353 943
Total investments managed by investment administrators	781 113 992	592 728 833

MEMBERSHIP

	Active members	Deferred pensioners	Pensioners
Membership as at 31 December 2010	4 650	364	62
Additions	256	152	11
Transfers in	1 731	-	-
Withdrawals	-826	-104	-
Retirements	-41	-2	-
Deaths	-21	-3	-2
Membership as at 31 December 2011	5 749	407	71

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 2011.

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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STATEMENT OF CHANGES IN FUNDS AND RESERVES

For the period ended 31 December 2011

	Active members	Pensioners	Reserve	Total
	2011 N\$	2011 N\$	2011 N\$	2011 N\$
Contributions received	80 266 161	-	19 165 170	99 431 331
Net investment income	-	-	72 605 854	72 605 854
Reinsurance proceeds	4 909 504	-	-	4 909 504
Reinsurance premiums	-	-	-13 388 241	-13 388 241
Expenses	-4 881 671	-2 180	-10 833 374	-15 717 225
Net income before transfers and benefits	80 293 994	-2 180	67 549 409	147 841 223
Transfers and benefits	40 831 319	2 409 914	-1 254 185	41 987 048
Transfers from other funds	246 827 346	10 260 500	137 164	257 225 010
Benefits	-205 996 027	-7 850 586	-1 391 349	-215 237 962
Net income after transfers and benefits	121 125 313	2 407 734	66 295 224	189 828 271
Balance at beginning of period	502 837 654	72 184 220	20 500 024	595 521 898
Investment income allocated	58 244 039	7 177 366	-65 421 405	-
	682 207 006	81 769 320	21 373 843	785 350 169
Transfer between reserve accounts and active members' accounts	2 967 570	-	-2 967 570	-
Transfer between active members' accounts and pensioners' accounts	-4 257 314	4 257 314	-	-
Withdrawal profits	-401 024	-	401 024	-
Balance at end of period	680 516 238	86 026 634	18 807 297	785 350 169
	2010	2010	2010	2010
Contributions received	61 640 750	-	16 524 323	78 165 073
Net investment income	-	-	47 901 138	47 901 138
Reinsurance proceeds	10 533 530	-	-	10 533 150
Reinsurance premiums	-	-	-11 010 917	-11 010 917
Expenses	-	-	-12 569 706	-12 569 706
Net income before transfers and benefits	72 174 280	-	40 844 838	113 019 118
Transfers and benefits	17 756 900	3 607 917	5 585 116	26 949 933
Transfers from other funds	177 486 091	9 459 300	5 815 380	192 760 771
Benefits	-159 729 191	-5 851 383	- 230 264	-165 810 838
Net income after transfers and benefits	89 931 180	3 607 917	46 429 954	139 969 051
Balance at beginning of period	378 750 430	58 083 581	18 718 836	455 552 847
Investment income allocated	36 258 639	5 829 475	-42 088 114	-
	504 940 249	67 520 973	23 060 676	595 521 898
Transfer between reserve accounts and active members' accounts	2 560 652	-	-2 560 652	-
Transfer between active members' 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



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STATEMENT OF ASSETS AND FUNDS

At 31 December 2011

	<u>2011</u> N\$	<u>2010</u> N\$
ASSETS		
Non-current assets	782 688 829	594 327 965
Investments	781 113 992	592 728 833
Housing loans	1 574 837	1 599 132
Current assets	38 016 501	32 657 024
Accounts receivable	922 008	727 394
Contributions receivable	705 247	5 218 888
Cash at bank	36 389 246	26 710 742
Total assets	<u>820 705 330</u>	<u>626 984 989</u>
FUNDS AND LIABILITIES		
Total funds and reserves	785 350 169	595 521 898
Active members' accounts	680 516 238	502 837 654
Pensioners' accounts	86 026 634	72 184 220
Reserve account	18 807 297	20 500 024
Non-current liabilities	1 185 901	469 682
Unclaimed benefits	1 185 901	469 682
Current liabilities	34 169 260	30 993 409
Benefits payable	32 538 786	29 647 641
Accounts payable	1 630 474	1 345 768
Total funds and liabilities	<u>820 705 330</u>	<u>626 984 989</u>