



Benchmark Retirement Fund

Extract from the Annual Financial Statements for the year ended 31 December 2012

REGULATORY INFORMATION

For the period ended 31 December 2012

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 Müsseler	C, I	07/11/2006	
Martin Moeller	I	07/11/2006	
Afra Schimming-Chase	I	01/01/2011	
Tilman Friedrich	F	01/01/2000	
Mark Gustafsson	F	01/01/2000	02/12/2012
Marthinuz Fabianus	F	01/01/2003	

*- '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



Benchmark Retirement Fund

Extract from the Annual Financial Statements for the year ended 31 December 2012 (continued)

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 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\$14 294 000 to N\$13 499 156 during the year under review. The general reserve account increased from N\$4 513 297 to N\$4 744 803.

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, Namibia Asset Management Ltd and EMH Prescient Unit Trusts 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, Namibia Asset Management Ltd and EMH Prescient Unit Trusts 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.

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

	2012 N\$	2011 N\$
Allan Gray Namibia (Pty) Ltd	514,994,474	399,290,275
Capricorn Asset Management (Pty) Ltd	51,385,620	59,350,311
EMH Prescient Unit Trusts Ltd	2,196,674	-
Investec Asset Management (Namibia) (Pty) Ltd	144,575,441	99,209,701
Investment Solutions Namibia Ltd	955,524	632,546
Namibia Asset Management Ltd	11,663,367	8,634,492
Old Mutual Investment Group Namibia (Pty) Ltd	17,549,341	18,141,313
Prudential Portfolio Managers (Namibia) (Pty) Ltd	251,469,063	191,641,215
Sanlam Investment Management Namibia (Pty) Ltd	2,762,760	1,144,512
Stanlib Namibia (Pty) Ltd	5,505,142	3,069,627
Total investments managed by investment administrators	1,003,053,406	781,113,992

MEMBERSHIP

	Active members	Pensioners	Total
Membership as at 31 December 2011	6,156	71	6,227
Additions	794	5	799
Transfers in	1,048	-	1,048
Withdrawals	-1,242	-	-1,242
Retirements	-50	-	-50
Deaths	-25	-2	-27
Transfers out	-3	3	-
Membership as at 31 December 2012	6,678	77	6,755

ACTUARIAL VALUATION

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

Since its inception the Fund has been exempt from Section 16 of the Pension Funds Act that requires a retirement fund to submit actuarial valuation reports to NAMFISA at intervals not exceeding three years. The trustees decided that, with effect from 31 December 2008, the Fund will voluntarily submit statutory actuarial valuation reports on an annual basis to NAMFISA in terms of Section 16 of the Pension Funds Act.

An actuarial valuation was performed for the year ended 31 December 2011 which was finalised on 12 September 2012. The actuarial valuation for the year ended 31 December 2012 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.

STATEMENT OF CHANGES IN FUNDS AND RESERVES

For the period ended 31 December 2012

	Active members	Pensioners	Reserve	Total
	2012 N\$	2012 N\$	2012 N\$	2012 N\$
Contributions received	103,898,104	-	20,356,057	124,254,161
Net investment income	-	-	133,036,459	133,036,459
Other income	1,178,625	-	-	1,178,625
Reinsurance proceeds	6,025,723	-	-	6,025,723
Reinsurance premiums	-	-	-15,769,556	-15,769,556
Expenses	-4,250,012	-	-13,601,732	-17,851,744
Net income before transfers and benefits	106,852,440	-	124,021,228	230,873,668
Transfers and benefits	-6,870,408	-3,063,288	3,211,984	-6,721,712
Transfers from other funds	235,452,567	7,521,751	3,641,618	246,615,936
Transfers to other funds	-6,754,738	-	-	-6,754,738
Benefits	-235,568,237	-10,585,039	-429,634	-246,582,910
Net income after transfers and benefits	99,982,032	-3,063,288	127,233,212	224,151,956
Balance at beginning of period	680,516,238	86,026,634	18,807,297	785,350,169
Investment income allocated	110,427,030	12,813,772	-123,240,802	-
	890,925,300	95,777,118	22,799,707	1,009,502,125
Transfer between reserve accounts and active members' accounts	5,111,305	-	-5,111,305	-
Transfer between active members' accounts and pensioners' accounts	-7,794,585	7,794,585	-	-
Withdrawal profits	-555,557	-	555,557	-
Balance at end of period	887,686,463	103,571,703	18,243,959	1,009,502,125
	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



Benchmark Retirement Fund

Extract from the Annual Financial Statements for the year ended 31 December 2012 (continued)

STATEMENT OF ASSETS AND FUNDS

At 31 December 2012

	2012 N\$	2011 N\$
ASSETS		
Non-current assets	1,005,945,344	782 688 829
Investments	1,003,053,406	781 113 992
Housing loans	2,891,938	1 574 837
Current assets	53,759,092	38 016 501
Accounts receivable	1,180,444	922 008
Contributions receivable	5,329,636	705 247
Cash at bank	47,249,012	36 389 246
Total assets	1,059,704,436	820 705 330
FUNDS AND LIABILITIES		
Total funds and reserves	1,009,502,125	785 350 169
Active members' accounts	887,686,463	680 516 238
Pensioners' accounts	103,571,703	86 026 634
Reserve account	18,243,959	18 807 297
Non-current liabilities	1,933,293	1 185 901
Unclaimed benefits	1,933,293	1 185 901
Current liabilities	48,269,018	34 169 260
Benefits payable	47,240,408	32 538 786
Accounts payable	1,028,610	1 630 474
Total funds and liabilities	1,059,704,436	820 705 330