



Benchmark Retirement Fund

Extract from the Annual Financial Statements for the year ended 31 December 2013

REGULATORY INFORMATION

For the period ended 31 December 2013

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	
Marthinuz Fabianus	F	01/01/2013	
Günter Pfeifer	F	01/10/2013	

*- 'C' denotes chairperson

*- 'I' denotes independent Trustee

*- 'F' denotes founder appointed Trustee

Principal Officer

Full name:	Kai Friedrich
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:	kfriedrich@rfsol.com.na
Date appointed:	01/10/2013

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 2013 (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 can be transferred to a designated survivor, who will become a member of the Fund, or can be paid as a lump sum in terms of Section 37C of the Pension Funds Act, taking into account any guidelines provided by the pensioner.

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.

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\$13,499,156 to N\$12,911,054 during the year under review while the general reserve account increased from N\$4,744,803 to N\$4 865 654.

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 Life Assurance Company (Namibia) 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 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 Life Assurance Company (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 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:

	2013	2012
	N\$	N\$
Allan Gray Namibia (Pty) Ltd	715,452,983	514,994,474
Capricorn Asset Management (Pty) Ltd	31,913,821	51,385,620
EMH Prescient Unit Trusts Ltd	2,091,339	2,196,674
Investec Asset Management (Namibia) (Pty) Ltd	177,036,540	144,575,441
Investment Solutions Namibia Ltd	1,600,762	955,524
Namibia Asset Management Ltd	13,269,091	11,663,367
Old Mutual Life Assurance Company (Namibia) Ltd	11,835,090	17,549,341
Prudential Portfolio Managers (Namibia) (Pty) Ltd	366,929,284	251,469,063
Sanlam Investment Management Namibia (Pty) Ltd	3,335,350	2,762,760
Stanlib Namibia (Pty) Ltd	6,735,533	5,505,142
Total investments managed by investment administrators	1,330,199,793	1,003,053,406

MEMBERSHIP

	Active members	Pensioners	Total
Membership as at 31 December 2012	6,678	77	6,755
Additions	806	8	814
Transfers in	1,367	-	1,367
Withdrawals	-1,249	-	-1,249
Retirements	-40	-	-40
Deaths	-17	-1	-18
Membership as at 31 December 2013	7,545	84	7,629

ACTUARIAL VALUATION

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

An actuarial valuation was performed for the year ended 31 December 2012 which was finalised on 21 October 2013.

The actuarial valuation for the year ended 31 December 2013 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 2013

	Active members	Pensioners	Reserve	Total
	2013 N\$	2013 N\$	2013 N\$	2013 N\$
Contributions received	119,650,447	-	26,520,035	146,170,482
Net investment income	-	-	230,261,041	230,261,041
Re-insurance proceeds	5,626,497	-	-	5,626,497
Less:	-3,951,961	-	-33,907,980	-37,859,941
Re-insurance premiums	-	-	-17,780,239	-17,780,239
Expenses	-3,951,961	-	-16,127,741	-20,079,702
Net income before transfers and benefits	121,324,983	-	222,873,096	344,198,079
Transfers and benefits	-17,471,036	2,559,268	-563,410	-15,475,178
Transfers from other funds	225,430,291	13,025,861	393,840	238,849,992
Benefits	-242,901,327	-10,466,593	-957,250	-254,325,170
Net income after transfers and benefits	103,853,947	2,559,268	222,309,686	328,722,901
Balance at beginning of period	887,686,463	103,571,703	18,243,959	1,009,502,125
Investment income allocated	198,310,111	19,521,402	-217,831,513	-
	1,189,850,521	125,652,373	22,722,132	1,338,225,026
Transfers:				
- between reserve accounts and active members' accounts	5,577,212	-	-5,577,212	-
- withdrawal profits	-631,788	-	631,788	-
Balance at end of period	1,194,795,945	125,652,373	17,776,708	1,338,225,026
	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
Re-insurance proceeds	6,025,723	-	-	6,025,723
Less:	-4,250,012	-	-29,371,288	-33,621,300
Re-insurance 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
Transfers:				
- between reserve accounts and active members' accounts	5,111,305	-	-5,111,305	-
- 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

STATEMENT OF ASSETS, LIABILITIES AND FUNDS

At 31 December 2013

	2013 N\$	2012 N\$
ASSETS		
Non-current assets	1,333,358,634	1,005,945,344
Investments	1,330,199,793	1,003,053,406
Housing loans	3,158,841	2,891,938
Current assets	53,011,108	53,759,092
Accounts receivable	28,965	1,180,444
Contributions receivable	4,342,365	5,329,636
Cash at bank	48,639,778	47,249,012
Total assets	1,386,369,742	1,059,704,436
FUNDS AND LIABILITIES		
Total funds and reserves	1,338,225,026	1,009,502,125
Active members' accounts	1,194,795,945	887,686,463
Pensioners' accounts	125,652,373	103,571,703
Reserve accounts	17,776,708	18,243,959
Non-current liabilities	1,935,992	1,933,293
Unclaimed benefits	1,935,992	1,933,293
Current liabilities	46,208,724	48,269,018
Benefits payable	43,255,531	47,240,408
Accounts payable	2,953,193	1,028,610
Total funds and liabilities	1,386,369,742	1,059,704,436