

REGULATORY INFORMATION

For the period ended 31 December 2014

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	01/01/2003	
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

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 increased from N\$12,911,054 to N\$13,447,675 during the year under review while the general reserve account increased from N\$4,865,654 to N\$5,029,937.

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, 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 unit trusts with Allan Gray Namibia (Pty) Ltd, 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 an insurance policy with 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:

	2014 N\$	2013 N\$
Allan Gray Namibia (Pty) Ltd	843,602,285	715,452,983
Capricorn Asset Management (Pty) Ltd	27,157,194	31,913,821
EMH Prescient Unit Trusts Ltd	1,944,139	2,091,339
Investec Asset Management (Namibia) (Pty) Ltd	210,932,029	177,036,540
Investment Solutions Namibia Ltd	-	1,600,762
Namibia Asset Management Ltd	24,436,981	13,269,091
Old Mutual Life Assurance Company (Namibia) Ltd	13,820,619	11,835,090
Prudential Portfolio Managers (Namibia) (Pty) Ltd	427,691,105	366,929,284
Sanlam Investment Management Namibia (Pty) Ltd	8,242,539	3,335,350
Stanlib Namibia (Pty) Ltd	5,498,318	6,735,533
Total investments managed by investment administrators	1,563,325,209	1,330,199,793

MEMBERSHIP

	Active members	Pensioners	Total
Membership as at 31 December 2013	7,545	84	7,629
Additions	1,611	-	1,611
Transfers in	676	27	703
Transfers out	-111	-	-111
Withdrawals	-1,402	-	-1,402
Retirements	-57	-	-57
Deaths	-17	-1	-18
Membership as at 31 December 2014	8,245	110	8,355

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 2013 which was finalised on 5 September 2014.

The actuarial valuation for the year ended 31 December 2014 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 NET ASSETS AND FUNDS

For the period ended 31 December 2014

	Active members	Pensioners	Reserve	Total
	2014	2014	2014	2014
	N\$	N\$	N\$	N\$
Contributions received	141,429,827	-	30,429,241	171,859,068
Net investment income	-	-	137,063,456	137,063,456
Re-insurance proceeds	2,541,518	-	-	2,541,518
Less:	-3,759,715	-	-39,058,033	-42,817,748
Re-insurance premiums	-	-	-20,162,853	-20,162,853
Expenses	-3,759,715	-	-18,895,180	-22,654,895
Net income before transfers and benefits	140,211,630	-	128,434,664	268,646,294
Transfers and benefits	-95,071,688	53,796,706	-951,785	-42,226,767
Transfers from other funds	185,889,418	67,177,319	74,069	253,140,806
Transfers to other funds	-13,511,435	-	-	-13,511,435
Benefits	-267,449,671	-13,380,613	-1,025,854	-281,856,138
Net income after transfers and benefits	45,139,942	53,796,706	127,482,879	226,419,527
Balance at beginning of period	1,194,795,945	125,652,373	17,776,708	1,338,225,026
Investment income allocated	112,084,034	12,448,145	-124,532,179	-
	1,352,019,921	191,897,224	20,727,408	1,564,644,553
Transfers:				
- between reserve account and active members' accounts	3,723,937	-	-3,723,937	-
- withdrawal profits	-1,474,141	-	1,474,141	-
Balance at end of period	1,354,269,717	191,897,224	18,477,612	1,564,644,553

	Active members	Pensioners	Reserve	Total
	2013	2013	2013	2013
	N\$	N\$	N\$	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

Extract from the Annual Financial Statements for the year ended 31 December 2014 (continued)

STATEMENT OF NET ASSETS AND FUNDS

At 31 December 2014

	2014 N\$	2013 N\$
ASSETS		
Non-current assets	1,565,865,978	1,333,358,634
Investments	1,563,325,209	1,330,199,793
Housing loans	2,540,769	3,158,841
Current assets	52,325,480	53,011,108
Accounts receivable	1,600,654	28,965
Contributions receivable	2,833,671	4,342,365
Cash at bank	47,891,155	48,639,778
Total assets	1,618,191,458	1,386,369,742
FUNDS AND LIABILITIES		
Total funds and reserves	1,564,644,553	1,338,225,026
Active members' accounts	1,354,269,717	1,194,795,945
Pensioners' accounts	191,897,224	125,652,373
Reserve accounts	18,477,612	17,776,708
Non-current liabilities	1,264,285	1,935,992
Unclaimed benefits	1,264,285	1,935,992
Current liabilities	52,282,620	46,208,724
Benefits payable	49,115,586	43,255,531
Accounts payable	3,167,034	2,953,193
Total funds and liabilities	1,618,191,458	1,386,369,742