

REGULATORY INFORMATION

For the period ended 31 December 2016

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	2006-11-07	
Martin Moeller	I	2006-11-07	
Afra Schimming-Chase	I	2011-01-01	
Tilman Friedrich	F	2000-01-01	
Marthinuz Fabianus	F	2003-01-01	
Günter Pfeifer	F	2013-10-01	

*- '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 - 446 000
Email address:	kfriedrich@rfsol.com.na
Date appointed:	2013-10-01

Auditor

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

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, offering a pension and provident section.

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 pensioner of the Fund.

The Fund offers an annuity to beneficiaries of deceased members.

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, disability and other 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 dependents of former members.

Contributions

Members 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\$ 14 070 035 to N\$ 11 454 436 during the year under review while the general reserve account increased from N\$ 6 662 576 to N\$ 7 747 247.

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's investments consist of unit trusts managed by 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; insurance policies issued by Old Mutual Life Assurance Company (Namibia) Ltd; and unlisted investments managed by Capricorn Asset Management (Pty) Ltd, EOS Capital (Pty) Ltd and IJG Capital (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:

	2016 N\$	2015 N\$
Allan Gray Namibia (Pty) Ltd	1 099 471 011	1 012 001 412
EOS Capital (Pty) Ltd	8 336 416	225 000
Capricorn Asset Management (Pty) Ltd	47 067 893	27 454 721
EMH Prescient Unit Trusts Ltd	1 460 886	4 464 753
IJG Capital (Pty) Ltd	9 220 735	12 263 659
Investec Asset Management (Namibia) (Pty) Ltd	276 516 342	277 325 994
Namibia Asset Management Ltd	21 160 651	27 703 808
Old Mutual Life Assurance Company (Namibia) Ltd	36 700 622	34 320 357
Prudential Portfolio Managers (Namibia) (Pty) Ltd	520 744 690	470 255 406
Sanlam Investment Management Namibia (Pty) Ltd	22 748 624	13 355 156
Stanlib Namibia (Pty) Ltd	5 472 222	5 574 087
Total investments managed by investment administrators	2 048 900 092	1 884 944 353

MEMBERSHIP

	Active members	Pensioners	Total
Membership as at 31 December 2015	8 770	124	8 894
Additions	983	84	1 067
Transfers in	1 209	8	1 217
Transfers out	-253	-	-253
Disabilities	-4	-	-4
Withdrawals	-1 992	-	-1 992
Retrenchments	-38	-	-38
Retirements	-83	-	-83
Deaths	-30	-	-30
Membership as at 31 December 2016	8 562	216	8 778

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 2015 which was finalised on 9 September 2016.

The actuarial valuation for the year ended 31 December 2016 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 2016

	Active members	Pensioners	Reserve	Total
	2016 N\$	2016 N\$	2016 N\$	2016 N\$
Contributions received	186 244 824	-	37 833 942	224 078 766
Net investment income	-	-	62 496 295	62 496 295
Re-insurance proceeds	19 510 283	-	-	19 510 283
Less:	-7 140 516	-	-50 518 773	-57 659 289
Re-insurance premiums	-	-	-25 545 620	-25 545 620
Expenses	-7 140 516	-	-24 973 153	-32 113 669
Net income before transfers and benefits	198 614 591	-	49 811 464	248 426 055
Transfers and benefits	-138 165 507	46 125 562	-2 171 196	-94 211 141
Transfers from other funds	316 292 205	68 651 671	202 972	385 146 848
Transfers to other funds	-27 974 974	-	-79 724	-28 054 698
Benefits	-426 482 738	-22 526 109	-2 294 444	-451 303 291
Net income after transfers and benefits	60 449 084	46 125 562	47 640 268	154 214 914
Balance at beginning of period	1 632 442 584	240 303 182	20 732 611	1 893 478 377
Investment income allocated	39 131 175	5 734 347	-44 865 522	-
	1 732 022 843	292 163 091	23 507 357	2 047 693 291
Transfers:				
- between active members and pensioners' accounts	-15 257 314	15 257 314	-	-
- between reserve account and active members' accounts	5 245 421	-	-5 245 421	-
- withdrawal profits	-939 747	-	939 747	-
Balance at end of period	1 721 071 203	307 420 405	19 201 683	2 047 693 291

	Active members	Pensioners	Reserve	Total
	2015 N\$	2015 N\$	2015 N\$	2015 N\$
Contributions received	162 975 180	-	34 097 206	197 072 386
Net investment income	-	-	247 636 763	247 636 763
Re-insurance proceeds	13 879 052	-	-	13 879 052
Less:	-4 898 328	-	-44 612 665	-49 510 993
Re-insurance premiums	-	-	-22 990 391	-22 990 391
Expenses	-4 898 328	-	-21 622 274	-26 520 602
Net income before transfers and benefits	171 955 904	-	237 121 304	409 077 208
Transfers and benefits	-101 245 595	21 636 773	-634 562	-80 243 384
Transfers from other funds	280 261 047	46 962 805	707 225	327 931 077
Transfers to other funds	-42 298 513	-	-	-42 298 513
Benefits	-339 208 129	-25 326 032	-1 341 787	-365 875 948
Net income after transfers and benefits	70 710 309	21 636 773	236 486 742	328 833 824
Balance at beginning of period	1 354 269 717	191 897 224	18 477 612	1 564 644 553
Investment income allocated	205 276 051	26 769 185	-232 045 236	-
	1 630 256 077	240 303 182	22 919 118	1 893 478 377
Transfers:				
- between reserve account and active members' accounts	2 899 451	-	-2 899 451	-
- withdrawal profits	-712 944	-	712 944	-
Balance at end of period	1 632 442 584	240 303 182	20 732 611	1 893 478 377

Extract from the Annual Financial Statements for the year ended 31 December 2016 (continued)

STATEMENT OF NET ASSETS AND FUNDS

At 31 December 2016

	2016 N\$	2015 N\$
ASSETS		
Non-current assets	2 052 103 053	1 888 263 700
Investments	2 048 900 092	1 884 944 353
Housing loans	3 202 961	3 319 347
Current assets	103 370 956	74 515 976
Accounts receivable	2 624 202	6 090 510
Contributions receivable	-	153 124
Cash at bank	100 746 754	68 272 342
Total assets	2 155 474 009	1 962 779 676
FUNDS AND LIABILITIES		
Total funds and reserves	2 047 693 291	1 893 478 377
Active members' accounts	1 721 071 203	1 632 442 584
Pensioners' accounts	307 420 405	240 303 182
Reserve accounts	19 201 683	20 732 611
Non-current liabilities	519 167	923 915
Unclaimed benefits	519 167	923 915
Current liabilities	107 261 551	68 377 384
Benefits payable	103 028 818	65 606 868
Accounts payable	4 232 733	2 770 516
Total funds and liabilities	2 155 474 009	1 962 779 676