

## REGULATORY INFORMATION

For the period ended 31 December 2017

### 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 classified as 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 pooled pensions where the employer has elected to provide such a benefit from the employer reserve.

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 increased from N\$11,454,436 to N\$77,176,095 during the year under review while the general reserve account increased from N\$7,747,247 to N\$8,640,893.

**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 segregated portfolio, the Prudential Namibia Inflation Plus Unit Trust and the Sanlam Namibia Inflation Linked Unit Trust are utilised as the default investment portfolio.

The Fund's investments consist of a segregated fund managed by Allan Gray Namibia (Pty) Ltd; 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:

	2017 N\$	2016 N\$
Allan Gray Namibia (Pty) Ltd	1,388,876,274	1,099,471,011
Capricorn Asset Management (Pty) Ltd	45,325,204	47,067,893
EOS Capital (Pty) Ltd	3,665,913	8,336,416
EMH Prescient Unit Trusts Ltd	1,639,566	1,460,886
IJG Capital (Pty) Ltd	12,500,235	9,220,735
Investec Asset Management (Namibia) (Pty) Ltd	463,835,441	276,516,342
Namibia Asset Management Ltd	23,757,383	21,160,651
Old Mutual Life Assurance Company (Namibia) Ltd	75,777,458	36,700,622
Prudential Portfolio Managers (Namibia) (Pty) Ltd	395,740,648	520,744,690
Sanlam Investment Management Namibia (Pty) Ltd	243,671,722	22,748,624
Stanlib Namibia (Pty) Ltd	4,484,578	5,472,222
Total investments managed by investment administrators	<b>2,659,274,422</b>	<b>2,048,900,092</b>

## MEMBERSHIP

	Active members	Pensioners	Total
<b>Membership as at 31 December 2016</b>	8,562	216	8,778
Additions	662	325	987
Transfers in	2,233	200	2,433
Transfers out	-	-	-
Disabilities	-	-	-
Withdrawals	-1,208	-8	-1,216
Retrenchments	-229	-	-229
Retirements	-89	-2	-91
Deaths	-26	-6	-32
<b>Membership as at 31 December 2017</b>	<b>9,905</b>	<b>725</b>	<b>10,630</b>

## 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 2016 which was finalised on 8 September 2017.

The actuarial valuation for the year ended 31 December 2017 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 2017

	Active members 2017 N\$	Pensioners 2017 N\$	Reserve 2017 N\$	Total 2017 N\$
Contributions received	232,226,559	-	45,141,679	277,368,238
Net investment income	-	-	243,921,341	243,921,341
Re-insurance proceeds	7,779,399	-	332,378	8,111,777
Less:	-8,164,455	-63,180	-60,173,532	-68,401,167
Re-insurance premiums	-	-	-30,422,382	-30,422,382
Expenses	-8,164,455	-63,180	-29,751,150	-37,978,785
<b>Net income before transfers and benefits</b>	<b>231,841,503</b>	<b>-63,180</b>	<b>229,221,866</b>	<b>461,000,189</b>
<b>Transfers and benefits</b>	<b>-8,137,765</b>	<b>126,408,232</b>	<b>54,553,932</b>	<b>172,824,399</b>
Transfers from other funds	466,861,901	186,984,832	61,249,065	715,095,798
Transfers to other funds	-217,939	-	-253,821	-471,760
Benefits	-474,781,727	-60,576,600	-6,441,312	-541,799,639
<b>Net income after transfers and benefits</b>	<b>223,703,738</b>	<b>126,345,052</b>	<b>283,775,798</b>	<b>633,824,588</b>
Balance at beginning of period	1,721,071,203	307,420,405	19,201,683	2,047,693,291
Actuarial adjustment	-	7,900,654	-7,900,654	-
<b>Investment income allocated</b>	<b>174,150,541</b>	<b>34,243,973</b>	<b>-208,394,514</b>	<b>-</b>
	2,118,925,482	475,910,084	86,682,313	2,681,517,879
<b>Transfers:</b>				
- between active members and pensioners' accounts	-41,448,778	41,448,778	-	-
- between reserve account and active members' accounts	1,375,359	-	-1,375,359	-
- between reserve account and pensioners' accounts	-	114,749	-114,749	-
- withdrawal profits	-624,783	-	624,783	-
<b>Balance at end of period</b>	<b>2,078,227,280</b>	<b>517,473,611</b>	<b>85,816,988</b>	<b>2,681,517,879</b>
	<b>Active members 2016 N\$</b>	<b>Pensioners 2016 N\$</b>	<b>Reserve 2016 N\$</b>	<b>Total 2016 N\$</b>
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
<b>Net income before transfers and benefits</b>	<b>198,614,591</b>	<b>-</b>	<b>49,811,464</b>	<b>248,426,055</b>
<b>Transfers and benefits</b>	<b>-138,165,507</b>	<b>46,125,562</b>	<b>-2,171,196</b>	<b>-94,211,141</b>
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
<b>Net income after transfers and benefits</b>	<b>60,449,084</b>	<b>46,125,562</b>	<b>47,640,268</b>	<b>154,214,914</b>
Balance at beginning of period	1,632,442,584	240,303,182	20,732,611	1,893,478,377
<b>Investment income allocated</b>	<b>39,131,175</b>	<b>5,734,347</b>	<b>-44,865,522</b>	<b>-</b>
	1,732,022,843	292,163,091	23,507,357	2,047,693,291
<b>Transfers:</b>				
- 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	-
<b>Balance at end of period</b>	<b>1,721,071,203</b>	<b>307,420,405</b>	<b>19,201,683</b>	<b>2,047,693,291</b>

Extract from the Annual Financial Statements for the year ended 31 December 2017 (continued)

## STATEMENT OF NET ASSETS AND FUNDS

At 31 December 2017

	2017 N\$	2016 N\$
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>2,665,213,629</b>	<b>2,052,103,053</b>
Investments	2,659,274,422	2,048,900,092
Housing loans	5,939,207	3,202,961
<b>Current assets</b>	<b>79,080,064</b>	<b>103,370,956</b>
Accounts receivable	1,621,636	2,624,202
Contributions receivable	1,287,721	-
Cash at bank	76,170,707	100,746,754
<b>Total assets</b>	<b>2,744,293,693</b>	<b>2,155,474,009</b>
<b>FUNDS AND LIABILITIES</b>		
<b>Total funds and reserves</b>	<b>2,681,517,879</b>	<b>2,047,693,291</b>
Active members' accounts	2,078,227,280	1,721,071,203
Pensioners' accounts	517,473,611	307,420,405
Reserve accounts	85,816,988	19,201,683
<b>Non-current liabilities</b>	<b>632,010</b>	<b>519,167</b>
Unclaimed benefits	632,010	519,167
<b>Current liabilities</b>	<b>62,143,804</b>	<b>107,261,551</b>
Benefits payable	57,659,022	103,028,818
Accounts payable	4,484,782	4,232,733
<b>Total funds and liabilities</b>	<b>2,744,293,693</b>	<b>2,155,474,009</b>