

**BENCHMARK RETIREMENT FUND  
SUMMARY OF THE 31 DECEMBER 2018  
STATUTORY ACTUARIAL VALUATION REPORT**

**Introduction**

1. We have carried out a statutory actuarial valuation of the Benchmark Retirement Fund (“the Fund”) for the year ending 31 December 2018.
2. The previous statutory actuarial valuation of the Fund was carried out by us as at 31 December 2017.
3. The annual statutory actuarial valuation is submitted to NAMFISA.

**Purpose of the valuation**

4. The purpose of this valuation is to determine whether:
  - 4.1 The Fund is administered in terms of the general rules and, where applicable, the special rules;
  - 4.2 All accounts established by the rules are maintained correctly;
  - 4.3 The investment portfolios held by the Fund are matched to the Fund’s liabilities as at 31 December 2018;
  - 4.4 All expense deductions are made in terms of the Fund’s rules and are in accordance with service level agreements and any marketing literature given to clients;
  - 4.5 Ad-hoc expenses are allowed for and are allocated on an equitable basis;
  - 4.6 The areas where the Fund’s rules give discretion to the administrator are dealt with in a consistent and equitable manner. These areas include expense charges, investment dates, disinvestment dates, late payment interest etc.;
  - 4.7 The Fund complies with legislation and service level agreements; and
  - 4.8 To meet the requirement of Section 16 of the Act that requires actuarial valuations of the Fund to be performed at intervals not exceeding 3 years.

**Financially significant changes during the year**

Rules

5. Rule amendment 1 to the Fund’s general rules was approved during the year. The main financial impacts of this amendment are:
  - 5.1 The rules now more clearly set out how to deal with any outstanding participating employer contributions; and
  - 5.2 The rules permit a living annuitant and a survivor annuitant to select a life annuity (either through the Fund or through an external provider) with all or part of their living annuity account or survivor annuity account in the Fund.

### Participating employers

6. 6 participating employers (165, 170, 172, 174, 175 and 176) joined the Fund during the year. Special rules were registered in respect of these new participating employers.
7. There were no new participating employers with previous fund structure (PEWPFS) who joined the Fund during the year. There is only 1 PEWPFS participating employer in the Fund (participating employer 171). We have carried out an actuarial valuation of the participating employer's portion of the Fund as at 31 December 2018 and confirm that the PEWPFS sub-fund is financially sound.
8. A Section 14 transfer payment was received for participating employer 164 during the year.
9. In addition 3 participating employers split into 2 parts during the year:
  - 9.1 Participating employer 39 gave rise to participating employer 165;
  - 9.2 Participating employer 121 gave rise to participating employer 174; and
  - 9.3 Participating employer 105 gave rise to participating employer 170.
10. During the year, the SEGs with a provident fund benefit structure were moved to a "new" participating employer code 181. The SEGs with a pension fund benefit structure were retained under participating employer 128.
11. Participating employers 54 and 121 allocated portions of their Employer Reserve Account to their members' Shares during the year.

### Other

12. The Fund has made direct housing loans more widely available to participating employers. Participating employers 12, 14, 36, 49, 69, 75, 110, 119, 156 and 171 had active housing loans as at 31 December 2018.

### **Investments during the year**

13. Participating employers, the small employer group (SEG), individual members and living annuitants can elect to invest their Shares and Employer Reserve Accounts in a range of 17 investment portfolios. Survivor annuitants are invested in the Old Mutual Absolute Stable Growth Portfolio.
14. To comply with Regulation 13, the Fund has invested in 3 special purpose vehicles that invest in unlisted investments. The special purpose vehicles are the Allegrow Fund, the Caliber Capital Fund and the IJG Frontier Investment Fund.
15. The unlisted investments are combined proportionately with each of the main investment portfolios offered by the Fund. The exceptions are the Capricorn Asset Management Money Market Fund, the Old Mutual Namibia Absolute Stable Growth Portfolio, the Old Mutual Namibia Profile Pinnacle Fund and the Sanlam Namibia Active Fund.
16. As at 31 December 2018, the unlisted investment made up about 1.2% of each of the investment portfolios. For the purposes of this report, we include the unlisted investments with each of the main investment portfolios.
17. The 17 investment portfolios that were utilised during the year, and the investment return earned during the year, are shown in the following table:

<b>Investment returns (gross of Fund fees and levies)</b>	
<b>Investment portfolio</b>	<b>Year ending 31 Dec 2018</b>
Allan Gray Namibia Balanced Fund	0.30%
CAM: Money Market Fund	7.71%
Hangala Prescient Absolute Balanced Fund	-2.07%
Investec Namibian Managed Fund	1.55%
NAM Coronation Balanced Plus Fund	-5.98%
NAM Coronation Balanced Defensive Fund	1.38%
NAM Coronation Capital Plus Fund	-2.05%
OM Namibia Absolute Stable Growth Portfolio	5.36%
OM Namibia Profile Pinnacle Fund	-0.37%
Prudential Namibia Inflation Plus Fund	1.95%
Prudential Namibian Global Balanced Fund	-0.89%
Sanlam Namibia Active Fund	7.35%
Sanlam Namibia Inflation Linked Fund	2.74%
Standard Bank Namibia Managed Fund	0.30%
Investec / AG Combined Portfolio <sup>1</sup>	0.90%
Default Portfolio <sup>2</sup>	1.27%
Initial Drawdown Portfolio <sup>3</sup>	2.74%

1. Made up of the Allan Gray Namibia Balanced Fund (50%) and the Investec Namibian Managed Fund Namibia (50%).
2. Made up of the Allan Gray Namibia Balanced Fund (50%), Prudential Namibia Inflation Plus Fund (25%) and the Sanlam Namibia Inflation Linked Fund (25%).
3. Made up of the Sanlam Namibia Inflation Linked Fund (100%).

18. No new investment portfolios were added during the year and no investment portfolios were removed during the year. There was no change to the constituent portfolios in any of the combined portfolios.

#### **Investment based fees**

19. Depending on the levies and fees applicable, the net investment return could be between 0.05% and 1.70% lower than what is set out in the previous table.

#### **Valuation information**

20. The Fund is administered by Retirement Fund Solutions (Pty) Ltd who supplied us with the information and data set out below.

21. The following documents were examined:

- 21.1 The revised general rules of the Benchmark Retirement Fund and the special rules of each participating employer of the Fund;
- 21.2 The Fund's audited financial statements for the year ending 31 December 2018;

- 21.3 The detailed trial balance underlying the audited financial statements;
  - 21.4 The quarterly investment reports prepared by the Fund's investment consultants (NMG);
  - 21.5 The monthly unit prices and portfolio values determined by the Fund's external investment administrator (Riscura);
  - 21.6 The statutory actuarial valuation report of the Fund as at 31 December 2017; and
  - 21.7 The individual member application forms for 20 randomly selected SEG members, individual members, living annuitants and survivor annuitants.
22. The following data was examined:
- 22.1 In respect of each participating employer, records of every active member as well as of members who had exited in the past year;
  - 22.2 A record of each SEG member's, individual member's, living annuitant's and survivor annuitant's Share and the underlying investment portfolios;
  - 22.3 In respect of each participating employer, a summary of the contribution allocation to retirement and risk benefits and administration expenses;
  - 22.4 A schedule setting out the monthly unit price of each investment portfolio; and
  - 22.5 Schedules setting out the monthly investment returns and balances for each investment portfolio manager showing the investment return achieved by the Fund and the investment return allocated to the Fund's various accounts.
23. The Fund's detailed balance sheet as at 31 December 2018 is set out in Appendix 3.

### **Fund accounts**

24. The liabilities of the Fund are accounted for in various accounts, namely the members' Share Account, the Employer Reserve Account, the Living Annuity Account, the Survivor Annuity Account, the Default Life Annuity Account and the General Reserve Account.

### PEWPFS

25. In the case of a PEWPFS, there are additional accounts and reserves within the Employer Reserve Account. For the purpose of the valuation, the entire accounts and reserves in respect of the PEWPFS as a single liability

### Members' Share Account

26. Members may participate in the Fund as an employee of a participating employer, as an employee of a SEG or as an individual member.
27. A member's Share is equal to the total net contributions and transfer values received in respect of the member during the period of membership, accumulated with the net investment return earned on the underlying portfolio(s) in which the member or participating employer elects to invest.
28. The sum of the members' Shares constitutes the members' Share Account.
29. Benefits and transfer values payable in respect of members are paid from the capital accumulated in the member's Share.

#### Employer Reserve Account

30. Participating employers' contributions towards reserves are paid into the Employer Reserve Account. This account is designed to absorb the impact of unfavourable experience and may consist of an investment, risk and data reserve. Unallocated surplus attributable to the participating employers is also transferred into this account.

#### Living Annuity Account

31. The Living Annuity Account consists of the total transfer values received in respect of living annuitants, less any annuities paid and fees charged, accumulated with the net investment return earned on the underlying portfolio(s) in which the living annuitant elected to invest.
32. Benefits and transfer values payable in respect of living annuitants are paid from the capital accumulated in the Living Annuity Account.

#### Survivor Annuity Account

33. The Survivor Annuity Account consists of the total transfer values received in respect of survivor annuitants, less any annuities paid and fees charged, accumulated with the net investment return earned on the underlying portfolio(s) in which the Trustees decided to invest.
34. Benefits and transfer values payable in respect of survivor annuitants are paid from the capital accumulated in the Survivor Annuity Account.

#### Default Life Annuity Account

35. The annuities are provided through a with-profit annuity from MMI Namibia at a 4.0% post retirement interest rate. The Fund's liability to pay the annuities is offset by the annuity policies.

#### General Reserve Account

36. The General Reserve Account represents all residual monies in the Fund that are not allocated to a particular member, participating employer, living annuitant or survivor annuitant.

37. The Fund's assets and accounts (liabilities) as at 31 December 2018 and 31 December 2017 are set out in the following table:

	N\$	
	31 Dec 2018	31 Dec 2017
Market value of assets	2 831 116 595	2 681 517 879
PEWPFS Account and Reserves	286 237 519	290 559 279
Members' Share Account	1 973 765 087	1 934 909 621
- Participating employers	1 455 112 108	1 343 414 774
- SEGs	153 808 725	158 568 985
- Individual members	364 844 254	432 925 862
Employer Reserve Account	11 706 085	11 885 411
Living Annuity Account	485 482 993	389 488 287
Survivor Annuity Account	65 276 395	46 034 388
General Reserve Account	<u>8 648 516</u>	<u>8 640 893</u>
<b>Total liabilities and reserves</b>	<b>2 831 116 595</b>	<b>2 681 517 879</b>

### Summary of valuation findings

38. We have carried out a statutory actuarial valuation of the Benchmark Retirement Fund as at 31 December 2018.
39. We are satisfied that the data and supporting information provided to us is appropriate for the purposes of the valuation.
40. Based on our valuation, we confirm the following:
- 40.1 The Fund is administered in terms of the general rules of the Fund and the special rules of the participating employers;
- 40.2 The Share Account, Living Annuity Account, Survivor Annuity Account, Employer Reserve Account and the General Reserve Account established by the rules are maintained correctly;
- 40.3 The investments of the Fund are well matched to the Fund's liabilities;
- 40.4 Expense deductions and contributions toward risk benefits are made in terms of the Fund's rules and the special rules of the participating employers and in accordance with the service level agreement;
- 40.5 Ad-hoc expenses are met from the General Reserve Account and the General Reserve Account balance of 0.31% of the Fund's assets is reasonable; and
- 40.6 The Fund complies with legislation and service level agreements.
41. We wish to thank the administrator for their assistance in supplying us with the relevant information and assisting us with our queries.

42. The Fund is in a financially sound position as at 31 December 2018.



---

**COLIN HENDRIKS (FASSA)**

**ACTUARY**

**In my capacity as a Director of  
Strategic Actuarial Partners Namibia (Pty) Ltd**

Primary professional regulator: ASSA

**22 October 2019**

## APPENDICES

### APPENDIX 1: PARTICIPATING EMPLOYERS

- A1.1. In order to confirm each participating employers' Share Account balance, we estimated the individual members' Shares based on the member data and investment portfolio returns supplied by the administrator. These estimates were successfully compared to each member's Share shown in the data as at 31 December 2018.
- A1.2. The individual estimates were then summed to obtain a Share Account estimate for each participating employer. The estimates and the actual Share Account shown in the financial statements as at 31 December 2018 are compared below. The Employer Reserve Accounts as at 31 December 2018 are also set out below.

Employer Code	Share Account as at 31 December 2018 (N\$)		AFS / Data (%)	Employer Reserve Account (N\$)
	Per financial statements	Estimated based on data		
6	17 809 187	17 809 186	100%	429 941
12	27 411 544	27 411 546	100%	348 611
14	16 051 067	16 051 071	100%	282 831
23	52 206 536	52 206 450	100%	856 788
34	64 476 211	64 476 212	100%	1 108 628
36	38 258 925	38 442 220	100%	99 334
39	11 233 360	11 416 396	98%	28 664
43	0	0	100%	160 824
44	48 250 950	48 250 950	100%	1 393 173
49	51 878 414	51 878 418	100%	176 402
53	2 026 639	2 026 640	100%	132 119
54	11 916 128	11 916 128	100%	67 112
56	6 166 127	6 166 127	100%	177 222
57	30 068 547	30 068 545	100%	19 134
62	15 231 442	15 231 439	100%	88 805
63	15 817 868	15 817 865	100%	247 109
65	14 588 790	14 588 786	100%	126 808
66	17 003 423	17 003 428	100%	9 613
67	50 705 320	50 705 319	100%	- 18 946
69	38 868 275	38 868 278	100%	115 306
74	23 193 183	23 194 169	100%	279 135
75	25 114 941	25 114 941	100%	757 550
99	16 949 337	16 949 339	100%	357 687
103	7 245 957	7 245 955	100%	6 252
104	11 772 388	11 772 385	100%	94 990
105	65 602 382	65 602 381	100%	42 689
107	38 368 507	38 368 505	100%	905 532
108	19 337 328	19 337 328	100%	17 361
109	15 301 384	15 301 384	100%	225 461
110	50 988 155	50 988 147	100%	627 317
114	89 513 096	89 513 096	100%	65 172
115	22 562 964	22 562 962	100%	65 968
117	19 204 194	19 204 189	100%	85 140

Employer Code	Share Account as at 31 December 2018 (N\$)		AFS / Data (%)	Employer Reserve Account (N\$)
	Per financial statements	Estimated based on data		
119	11 418 118	11 418 117	100%	121 856
120	19 299 264	19 299 265	100%	80 421
121	22 740 064	22 740 064	100%	38 051
122	34 341 119	34 341 123	100%	358 275
125	24 031 647	24 031 647	100%	62 833
127	10 867 184	10 867 180	100%	207 785
129	11 982 743	11 982 744	100%	14 790
135	13 695 469	13 695 464	100%	15 856
137	11 797 477	11 797 477	100%	26 955
138	13 008 805	13 008 806	100%	105 480
139	72 260 004	72 260 003	100%	548 335
142	38 112 040	38 112 039	100%	104 841
153	4 936 217	4 936 217	100%	15 939
154	2 960 361	2 960 361	100%	9 046
156	70 786 921	70 786 921	100%	324 887
157	15 299 233	15 299 233	100%	35 531
158	2 142 923	2 142 919	100%	9 117
160	6 340 307	6 340 307	100%	71 780
163	15 024 972	15 024 971	100%	27 194
164	46 866 160	46 866 159	100%	104 556
165	16 693 541	16 693 541	100%	5 125
166	1 980 146	1 980 146	100%	3 828
167	6 658 527	6 658 527	100%	13 367
168	1 982 236	1 982 236	100%	5 368
170	16 022 294	16 022 294	100%	4 481
172	13 839 259	13 839 259	100%	6 730
174	14 278 725	14 278 725	100%	2 661
175	342 468	342 468	100%	924
176	<u>281 315</u>	<u>281 314</u>	<u>100%</u>	<u>341</u>
<b>Total</b>	<b>1 455 112 108</b>	<b>1 455 479 312</b>	<b>100%</b>	<b>11 706 085</b>

A1.3. Based on the results set out in the preceding table, we are satisfied that the participating employer Share Accounts are correctly administered in terms of the Fund's rules.

A1.4. A summary of the participating employers' member Shares, salaries and service, by age and gender, is set out below.

Age band	Number	Shares (N\$) <sup>1</sup>		Annual salaries (N\$)		Average service (yrs)
		Total	Average	Total	Average	
<b>Females</b>						
15 - 19	2	3 542	1 771	62 829	31 414	0.87
20 - 24	215	3 406 791	15 846	32 578 926	151 530	1.34
25 - 29	760	31 410 839	41 330	138 343 765	182 031	2.31
30 - 34	738	54 656 700	74 061	132 480 469	179 513	3.26
35 - 39	725	83 803 122	115 591	138 764 986	191 400	3.65
40 - 44	545	90 130 597	165 377	99 005 984	181 662	5.06
45 - 49	429	112 393 302	261 989	81 891 565	190 889	6.09
50 - 54	306	103 105 982	336 948	59 847 878	195 581	7.42
55 - 59	202	98 644 199	488 338	41 791 727	206 890	7.80
> 60	<u>39</u>	<u>36 735 705</u>	<u>941 941</u>	<u>7 879 653</u>	<u>202 042</u>	<u>8.08</u>
<b>Total</b>	<b>3 961</b>	<b>614 290 779</b>	<b>155 085</b>	<b>732 647 781</b>	<b>184 965</b>	<b>4.20</b>
<b>Males</b>						
15 - 19	5	18 503	3 701	295 023	59 005	1.01
20 - 24	199	2 244 526	11 279	35 481 029	178 297	1.32
25 - 29	741	27 695 202	37 375	137 076 954	184 989	2.56
30 - 34	811	66 148 665	81 564	141 174 925	174 075	3.52
35 - 39	805	95 446 744	118 567	143 546 457	178 319	4.09
40 - 44	665	124 554 761	187 300	119 856 502	180 235	4.96
45 - 49	546	138 985 676	254 553	95 444 919	174 808	5.82
50 - 54	356	127 190 788	357 277	62 774 244	176 332	6.87
55 - 59	215	154 987 792	720 873	39 611 510	184 240	7.78
> 60	<u>51</u>	<u>83 758 252</u>	<u>1 642 319</u>	<u>10 008 206</u>	<u>196 239</u>	<u>7.78</u>
<b>Total</b>	<b>4 394</b>	<b>821 030 907</b>	<b>186 853</b>	<b>785 269 769</b>	<b>178 714</b>	<b>4.42</b>
<b>TOTAL</b>	<b>8 355</b>	<b>1 435 321 687</b>	<b>171 792</b>	<b>1 517 917 550</b>	<b>181 678</b>	<b>4.31</b>

1. The Share reflected above are the actual invested amounts per member as at 31 December 2018. In particular, it excludes the contribution for December 2018 which has not been invested as at 31 December 2018.

## APPENDIX 2: SEG MEMBERS, INDIVIDUAL MEMBERS AND ANNUITANTS

- A2.1. We compared the SEG member' and the individual members' Shares as stated in the financial statements to the total of all the SEG members' and the individual members' Shares as stated in the administrators' data.
- A2.2. We compared the pensioners' accounts shown in the financial statements to the total of all the living annuitants' and survivor annuitants' Shares shown in the data. The values tied up to within an acceptable difference.
- A2.3. The following table compares the individual members' Share Account, the SEG members' Share Account and the Living and Survivor Annuity Accounts as per the data with the figures shown in the financial statements as at 31 December 2018:

	31 December 2018 (N\$)		Difference (%)
	Financial statements	Data	
Individual members' Share Account	364 844 254	364 844 254	0.0%
SEG members' Share Account	153 808 725	153 808 725	0.0%
Living & Survivor Annuity Accounts	<u>550 759 388</u>	<u>550 759 348</u>	<u>0.0%</u>
<b>Total</b>	<b>1 069 412 367</b>	<b>1 069 412 327</b>	<b>0.0%</b>

- A2.4. The individual member data is summarised as follows:

Age band	Number	Shares (N\$)	
		Total	Average
< 30	10	606 976	60 698
30 - 34	37	5 176 304	139 900
35 - 39	56	14 597 723	260 674
40 - 44	70	32 768 061	468 115
45 - 49	98	54 729 689	558 466
50 - 54	113	84 744 780	749 954
55 - 59	60	75 807 308	1 263 455
60 - 64	36	45 797 767	1 272 160
> 64	<u>16</u>	<u>50 615 645</u>	<u>3 163 478</u>
<b>Total</b>	<b>496</b>	<b>364 844 254</b>	<b>735 573</b>

A2.5. The SEG member data is summarised as follows:

Age band	Number	Shares (N\$)	
		Total	Average
< 25	49	727 543	14 848
25 - 29	189	6 532 403	34 563
30 - 34	184	14 153 987	76 924
35 - 39	163	19 221 186	117 921
40 - 44	118	24 229 785	205 337
45 - 49	119	24 666 999	207 286
50 - 54	92	32 953 047	358 185
55 - 59	35	8 569 245	244 836
60 - 64	18	14 879 976	826 665
> 64	<u>6</u>	<u>4 346 269</u>	<u>724 378</u>
<b>Total</b>	<b>973</b>	<b>150 280 440</b>	<b>154 451</b>

A2.6. The individual living annuitant data is summarised as follows:

Age band	Number	Shares (N\$)	
		Total	Average
<55	8	15 451 424	1 931 428
55 - 59	43	86 300 242	2 006 982
60 - 64	80	154 957 533	1 936 969
65 - 69	60	127 554 147	2 125 902
70 - 74	32	86 368 856	2 699 027
75 - 79	6	7 918 170	1 319 695
80 - 84	<u>2</u>	<u>6 932 583</u>	<u>3 466 292</u>
<b>Total</b>	<b>231</b>	<b>485 482 954</b>	<b>2 101 658</b>

A2.7. The individual survivor annuitant data is summarised as follows:

Age band	Number	Shares (N\$)	
		Total	Average
0 - 4	17	2 219 956	130 586
5 - 9	42	5 794 934	137 975
10 - 14	70	6 727 555	96 108
15 - 19	78	6 758 612	86 649
20 - 24	57	3 957 526	69 430
25 - 29	50	6 943 415	138 868
30 - 34	26	3 354 899	129 035
35 - 39	24	3 101 076	129 212
40 - 44	28	3 761 843	134 352
45 - 49	34	7 357 573	216 399
50 - 54	37	7 987 351	215 874
55 - 59	25	3 381 124	135 245
60 - 64	9	1 141 393	126 821
65 - 69	7	421 872	60 267
70 - 74	14	1 093 927	78 138
75 - 79	5	238 265	47 653
> 79	<u>10</u>	<u>1 035 073</u>	<u>103 507</u>
<b>Total</b>	<b>533</b>	<b>65 276 395</b>	<b>122 470</b>

A2.8. There are 29 Default Life Annuitants as at 31 December 2018 with annual pensions amounting to N\$324 542. The annuities are provided through a with-profit annuity from MMI Namibia at a 4.0% post retirement interest rate.

A2.9. The table below summarises the data for all active members in the Fund by age band (excluding members of PEWPFS):

Age band	Number	Number (%)	Cum. (%)	Shares (N\$)	Share (%)	Cum. (%)
< 25	470	4.8%	4.8%	6 400 904	0.3%	0.3%
25 - 29	1 700	17.3%	22.1%	66 245 420	3.4%	3.7%
30 - 34	1 770	18.0%	40.1%	140 135 657	7.2%	10.9%
35 - 39	1 749	17.8%	57.9%	213 068 775	10.9%	21.8%
40 - 44	1 398	14.2%	72.1%	271 683 204	13.9%	35.8%
45 - 49	1 192	12.1%	84.3%	330 775 667	17.0%	52.7%
50 - 54	867	8.8%	93.1%	347 994 597	17.8%	70.6%
55 - 59	512	5.2%	98.3%	338 008 545	17.3%	87.9%
≥ 60	<u>166</u>	<u>1.7%</u>	100.0%	<u>236 133 613</u>	<u>12.1%</u>	100.0%
<b>Total</b>	<b>9 824</b>	<b>100.0%</b>		<b>1 950 446 381</b>	<b>100.0%</b>	

### **APPENDIX 3: ASSET AND LIABILITY COMPARISON**

- A3.1. We compared the total liability of the participating employers, SEGs, individual members, living annuitants and survivor annuitants to the assets held in respect of each of them by investment portfolio. Crucially, this shows whether the Fund has any mismatch between how its liabilities and assets will move in future.
- A3.2. From the portfolio schedule provided we could obtain the investment balance of each investment manager. We were also able to determine the allocation of each investment manager's balance to the participating employers, SEGs, individual members, living annuitants and survivor annuitant invested in that portfolio. The resulting asset values were used in the table below. Housing loans are reflected as a separate asset.
- A3.3. We split the liabilities of the participating employer (Share Account plus Employer Reserve Account) and SEG member, individual member, living annuitant and survivor annuitant liabilities according to their investment allocation.
- A3.4. The following table shows the participating employer and the combined SEG member, individual member, living annuitant and survivor annuitant asset and liability split between the investment portfolios. In our view, based on the results in the table, the Fund's assets and liabilities are well matched by investment portfolio as at 31 December 2018.

31 December 2018 N\$							%
Investment portfolio	Participating employer <sup>1</sup>		Ind. member / annuitant <sup>2</sup>		Total		Assets / Liabilities
	Asset	Liability	Asset	Liability	Assets	Liabilities	
Allan Gray Namibia Balanced Fund	499 033 903	494 281 432	417 138 570	417 138 570	916 172 473	911 420 002	101%
CAM: Money Market Fund	2 099 488	2 099 488	20 772 903	16 394 499	22 872 390	18 493 987	124%
Default Portfolio:	682 343 073	676 352 121	136 166 590	136 166 590	818 509 663	812 518 711	101%
- Allan Gray Namibia Balanced Fund	352 460 408	349 365 816	70 336 072	70 336 072	422 796 481	419 701 889	101%
- Prudential Namibia Inflation Plus Fund	166 129 458	164 670 847	33 152 358	33 152 358	199 281 816	197 823 205	101%
- Sanlam Namibia Inflation Linked Fund	163 753 206	162 315 458	32 678 159	32 678 159	196 431 366	194 993 617	101%
Initial Drawdown Portfolio:	0	0	1 095 184	1 095 184	1 095 184	1 095 184	100%
- Sanlan Inflation Linked fund	0	0	1 095 184	1 095 184	1 095 184	1 095 184	100%
Hangala Prescient Absolute Balanced Fund	0	0	2 188 296	2 150 055	2 188 296	2 150 055	102%
Investec Namibian Managed Fund	314 880 583	313 636 979	114 916 890	114 916 890	429 797 473	428 553 869	100%
Investec / AG Combined:	186 411 119	186 137 505	7 690 758	7 690 758	194 101 877	193 828 263	100%
- Allan Gray Namibia Balanced Fund	96 012 295	95 871 369	3 961 176	3 961 176	99 973 472	99 832 545	100%
- Investec Managed Namibia Fund	90 398 824	90 266 136	3 729 582	3 729 582	94 128 405	93 995 718	100%
NAM Coronation Balanced Plus Fund	0	0	4 442 670	4 442 670	4 442 670	4 442 670	100%
NAM Coronation Balanced Defensive Fund	4 785 037	4 785 036	4 887 902	4 887 902	9 672 939	9 672 938	100%
NAM Coronation Capital Plus Fund	6 182 869	6 182 866	1 918 630	1 918 630	8 101 499	8 101 496	100%
Old Mutual Absolute Growth Portfolio	0	0	65 276 395	65 276 434	65 276 395	65 276 434	100%
Old Mutual Namibia Profile Pinnacle Fund	15 868 472	15 861 692	20 019 533	20 019 533	35 888 005	35 881 225	100%
Prudential Namibia Inflation Plus Fund	12 055 111	12 021 394	182 048 585	182 048 585	194 103 696	194 069 978	100%
Prudential Namibian Global Balanced Fund	0	0	14 870 461	14 870 464	14 870 461	14 870 464	100%
Sanlam Namibia Active Fund	906 797	848 384	25 178 035	25 178 035	26 084 832	26 026 419	100%
Sanlam Namibia Inflation Linked Fund	0	0	44 827 611	44 782 129	44 827 611	44 782 129	100%
Standard Bank Namibia Managed Fund	0	0	5 429 032	5 415 062	5 429 032	5 415 062	100%
Housing loans	10 602 933	10 602 932	1 492 094	1 492 094	12 095 027	12 095 027	100%
Net current assets <sup>3</sup>	0	0	0	0	76 449 205	92 931 054	82%
General Reserve Account	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8 294 752</u>	<u>8 648 516</u>	96%
<b>Total</b>	<b>1 735 169 386</b>	<b>1 722 809 828</b>	<b>1 069 264 953</b>	<b>1 064 788 898</b>	<b>2 889 178 296</b>	<b>2 889 178 296</b>	

1. The participating employer liability includes the liability in respect of the PEWPFS, allocated to the relevant investment portfolios.

2. Includes the SEG category.

3. The Employer Reserve Accounts (with the exception of the PEWPFS) in the amount of N\$11 706 085 is included under the current liabilities.

## APPENDIX 4: MEMBERSHIP RECONCILIATION

A4.1. The membership of the Fund is reconciled as follows during the year:

### *Participating Employers (excluding PEWPFS)*

Employer Code	Active 31.12.2017	New members	Deaths	Retired	Withdrawal	Active 31.12.2018
6	190	49	- 3	- 3	- 14	219
12	94	29	0	- 3	- 8	112
14	41	4	0	0	- 3	42
23	418	103	0	- 4	- 46	471
34	775	190	0	- 2	- 25	938
36	66	8	0	0	- 5	69
39	81	15	0	- 2	- 40	54
44	225	53	0	0	- 44	234
49	211	19	0	- 2	- 23	205
53	50	2	0	- 1	- 34	17
54	119	18	- 2	- 2	- 94	39
56	21	1	0	0	- 1	21
57	193	38	0	- 4	- 44	183
62	65	14	0	- 1	- 15	63
63	54	12	0	- 3	- 9	54
65	48	6	0	0	- 4	50
66	148	15	0	- 1	- 28	134
67	85	7	- 2	- 4	- 5	81
69	163	25	0	0	- 19	169
74	419	115	- 3	0	- 114	417
75	110	6	0	- 1	- 15	100
99	19	0	0	- 1	- 1	17
103	25	5	0	0	- 1	29
104	108	3	0	0	- 7	104
105	54	7	- 1	0	- 4	56
107	275	11	- 1	0	- 26	259
108	30	3	0	0	- 1	32
109	40	5	0	0	- 3	42
110	237	17	- 1	0	- 16	237
114	542	54	0	- 4	- 17	575
115	89	68	0	0	- 7	150
117	144	25	0	- 4	- 26	139
118	16	0	0	0	- 16	0
119	19	3	0	0	- 5	17
120	157	26	- 1	- 2	- 25	155
121	150	16	- 1	- 4	- 42	119
122	81	7	0	0	- 7	81
125	685	246	- 1	0	- 136	794
127	77	10	0	- 2	- 17	68
129	18	2	0	0	- 2	18
135	159	8	0	0	- 17	150
137	48	13	0	0	- 4	57
138	69	5	0	0	- 9	65

Employer Code	Active 31.12.2017	New members	Deaths	Retired	Withdrawal	Active 31.12.2018
139	113	9	0	- 2	- 3	117
142	61	17	0	0	- 7	71
153	26	1	0	0	0	27
154	199	58	0	- 8	- 108	141
156	151	33	0	0	- 26	158
157	28	4	0	- 1	- 4	27
158	78	18	0	0	- 10	86
160	127	22	0	0	- 13	136
163	258	59	0	- 1	- 50	266
164	82	20	0	0	- 1	101
165	0	38	0	0	- 5	33
166	25	3	0	0	- 2	26
167	35	2	0	0	0	37
168	41	1	0	0	0	42
170	0	28	0	0	0	28
172	0	34	0	- 1	- 1	32
174	0	91	0	- 1	- 37	53
175	0	103	0	0	0	103
176	<u>0</u>	<u>36</u>	<u>0</u>	<u>0</u>	<u>- 1</u>	<u>35</u>
<b>Total</b>	<b>7 842</b>	<b>1 840</b>	<b>- 16</b>	<b>- 64</b>	<b>- 1 247</b>	<b>8 355</b>

*Individual members, SEG members, living annuitants and survivor annuitants*

Type	Active 31.12.2017	New member	Retired	Death	Withdrawal	Active 31.12.2018
Individuals	486	106	- 20	- 1	- 75	496
SEGs	867	301	- 7	- 6	- 182	973
Living annuitants	190	46	0	- 5	0	231
Survivor annuitants	349	187	0	- 3	0	533