

**ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)
FINANCIAL SECTOR CONDUCT AUTHORITY REGISTRATION NUMBER 12/8/34766**

**ANNUAL FINANCIAL STATEMENTS
IN TERMS OF SECTION 15 OF THE PENSION FUNDS ACT NO 24. 1956**

FOR THE FINANCIAL REPORTING PERIOD ENDED 31 MARCH 2024

ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

ANNUAL FINANCIAL STATEMENTS

For the financial reporting period ended 31 March 2024

Financial Sector Conduct Authority registration number 12/8/34766

South African Revenue Service approval number: 18/20/4/39311

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*Not subject to any engagement by an auditor

SCHEDULE A
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Regulatory Information

For the period ended 31 March 2024

Registered office of the Fund

Postal address:	Physical address:
P O Box 787240	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Financial reporting periods

Current period:	01 April 2023 to 31 March 2024
Previous period:	01 April 2022 to 31 March 2023

Board of Fund	Email address	Capacity	Date appointed or re-appointed	Date resigned
Internal appointed Board Member				
J Anderson	andersonjo@alexforbes.com	Board Member	01/06/2022	
Z Kutama	kutamaz@alexforbes.com	Alternate Board Member	01/04/2023	
K Moodley	moodleyka@alexforbes.com	Board Member	01/10/2022	
F Rollason	rollasonf@alexforbes.com	Board Member/Vice Chair	01/03/2021	
External appointed Board Member				
S Khumalo	sandilekh78@yahoo.co.za	Board Member	01/05/2023	
J Liackman	jliackman@gmail.com	Board Member/Chair	01/03/2022	
L Mbatha	adv.lmbatha@gmail.com	Alternate Board Member	01/05/2023	
K Prinsloo	prinslookb@gmail.com	Board Member	01/11/2020	31/12/2023
N Sallie	Nazley@candorsol.co.za	Alternate Board Member	01/05/2023	31/12/2023
N Sallie	Nazley@candorsol.co.za	Board Member	01/01/2024	

Board of Fund

Board members are appointed in terms of the Rules of the Fund. As per the Rules of the Fund, the Board of Fund should consist of three Internal Board Members and three External Board Members. The Rules provide for Board Members to remain in office for a period of up to five years unless their appointment is terminated for any of the reasons set out in the Rules of the Fund. Board Members may be re-appointed on expiry of their term in terms of the Rules. The Chair and Vice Chair are elected annually as per the rules of the Fund. J Liackman and F Rollason were elected as Chair and Vice Chair respectively effective 1 April 2023.

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For the period ended 31 March 2024

Change in Board of Fund

Mr K Prinsloo (Board Member) resigned effective 31 December 2023 and was replaced by Ms N Sallie, who was already an alternate trustee on the Fund and she transitioned to become a trustee effective 1 January 2024. The Board of Fund are in the process of undertaking a new Alternate Board Member appointment process.

Exemption from Section 7A requirements

The Board of Fund have been granted exemption from Section 7A requirements by the Financial Sector Conduct Authority, provided that notification be provided of any changes to the Board of Fund with any new external appointed Board Member disclosures.

Governance note: schedule of meetings held by the Board of Fund in terms of the Rules of the Fund

Meeting date	Place of meeting	Quorum (yes/no)
20/06/2023	Virtual conference meeting	Yes
21/06/2023	Virtual conference meeting	Yes
19/09/2023	115 West Street/Hybrid via MS Teams	Yes
20/09/2023	115 West Street/Hybrid via MS Teams	Yes
05/12/2023	115 West Street/Hybrid via MS Teams	Yes
06/12/2023	115 West Street/Hybrid via MS Teams	Yes
12/03/2024	115 West Street/Hybrid via MS Teams	Yes
13/03/2024	115 West Street/Hybrid via MS Teams	Yes

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Regulatory Information

For the period ended 31 March 2024

Fund Officers

Principal Officer

Name: N Zwane

Postal address:
Unit3, Blue Crane Estate 2
Noordwyk
Midrand
1682

Physical address:
Unit3, Blue Crane Estate 2
Noordwyk
Midrand
1682

Telephone number: +27 (0)73 226 9248
Email address: nomonde.zwane@gmail.com
Date appointed: 01/03/2021

Monitoring person in terms of Section 13A of the Pension Funds Act

Name: WS Wessels

Postal address:
P O Box 787240
Sandton
2146
South Africa

Physical address:
Alexander Forbes
115 West Street
Sandown
2196
South Africa

Telephone number: +27 (0)11 269 1650
Email address: wesselswe@alexforbes.com
Date appointed: 01/04/2014

Professional service providers

Valuator

Name: G Grobler
Qualifications: B.Com (Hons), FASSA, FFA, CFP
Organisation: Alexander Forbes Financial Services Proprietary Limited

Postal address:
P O Box 501
Stellenbosch
7599
South Africa

Physical address:
40 Dorp Street
Stellenbosch
7600
South Africa

Telephone number: +27 (0)21 809 3600
Email address: groblerg@alexforbes.com

SCHEDULE A
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Regulatory Information

For the period ended 31 March 2024

Professional service providers

Auditors

Full name: Deloitte & Touche
Qualifications: Registered Auditors

Postal address:	Physical address:
Private Bag X6	5 Magwa Crescent
Gallo Manor	Waterfall City
2052	2090
South Africa	South Africa

Telephone number: +27 (0)11 806 5000
Email address: rvangraan@deloitte.co.za
Date appointed: 01/02/2023

Benefit administrator

Full name: Alexander Forbes Financial Services Proprietary Limited
Section 13B registration number: 24/472

Postal address:	Physical address:
P O Box 787240	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Telephone number: +27 (0)11 269 0000

SCHEDULE A
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Regulatory Information

For the period ended 31 March 2024

Fund consultant

Full name: Alexander Forbes Financial Services Proprietary Limited
FAIS registration number: 1177

Postal address:	Physical address:
P O Box 787240	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Telephone number: +27 (0)11 269 0000

Investment administrator

Full name: Alexander Forbes Investments Limited
FAIS registration number: 711

Postal address:	Physical address:
P O Box 786055	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Telephone number: +27 (0)11 505 6115

Investment advisor

Full name: Alexander Forbes Financial Services Proprietary Limited
FAIS registration number: 1177

Postal address:	Physical address:
P O Box 787240	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Telephone number: +27 (0)11 505 6115

SCHEDULE A
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Regulatory Information

For the period ended 31 March 2024

Risk insurer

Full name: Discovery Life Limited
FSP approval number: 18147

Postal address:	Physical address:
P O Box 3888	1 Discovery Place
Rivonia	Sandton
2128	2196
South Africa	South Africa

Telephone number: +27 (0)11 529 4785

Risk insurer is allowed where the approved policy is used.

Risk insurer

Full name: Hollard Life Assurance Company Limited
FSP approval number: 17697

Postal address:	Physical address:
P O Box 87428	22 Oxford Road
Houghton	Parktown
2041	Johannesburg
South Africa	2193
	South Africa

Telephone number: +27 (0)11 351 5378

Risk insurer

Full name: Liberty Wealth Consultancy Proprietary Limited
FSP approval number: 17404

Postal address:	Physical address:
P O Box 31750	Liberty Life Centre
Braamfontein	1 Ameshoff Street
2017	Braamfontein
South Africa	2001
	South Africa

Telephone number: +27 (0)11 408 2559

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For the period ended 31 March 2024

Risk insurer

Full name: Momentum Metropolitan Life Limited
FSP approval number: 6406

Postal address:	Physical address:
P O Box 7400	268 West Avenue
Centurion	Centurion
0046	0157
South Africa	South Africa

Telephone number: +27 (0)87 742 7542

Risk insurer

Full name: Old Mutual Life Assurance Company South Africa Limited
FSP approval number: 703

Postal address:	Physical address:
P O Box 66	Mutualpark
Cape Town	Jan Smuts Drive
8000	Pinelands
South Africa	7405
	South Africa

Telephone number: +27 (0)21 509 2127

Risk insurer

Full name: Sanlam Life Insurance Limited
FSP approval number: 2759

Postal address:	Physical address:
P O Box 1	Sanlam Head Office
Sanlamhof	2 Strand Street
7532	Bellville
South Africa	7532
	South Africa

Telephone number: +27 (0)21 947 2449

Participating employers

The listing of participating employers is available for inspection at the Fund's registered office.

SCHEDULE B
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Statement of Responsibility by the Board of Fund

For the period ended 31 March 2024

Responsibilities

The Board of Fund hereby confirms to the best of their knowledge and belief that, during the period under review, in the execution of their duties they have complied with the duties imposed by the Pension Funds Act of South Africa and the Rules of the Fund, including the following:

- ensured that proper registers, books and records of the operations of the Fund were kept, inclusive of proper minutes of all resolutions passed by the Board of Fund;
- ensured that proper internal control systems were employed by or on behalf of the Fund;
- ensured that adequate and appropriate information was communicated to the members of the Fund, informing them of their rights, benefits and duties in terms of the Rules of the Fund;
- took all reasonable steps to ensure that contributions, where applicable, were paid timeously to the Fund or reported where necessary in accordance with Section 13A and FSCA Conduct Standard 1 of 2022 (RF): Requirements related to the payment of pension fund contributions ("Conduct Standard") of the Pension Funds Act of South Africa;
- obtained expert advice on matters where they lacked sufficient expertise;
- ensured that the Rules and the operation and administration of the Fund complied with the Pension Funds Act of South Africa and all applicable legislation;
- ensured that fidelity cover was maintained and that this cover was deemed adequate and in compliance with the Rules of the Fund; and
- ensured that investments of the Fund were implemented and maintained in accordance with the Fund's investment strategy.

The Board of Fund assessed the Fund's ability to continue as a going concern in addition to the above responsibilities.

Approval of the annual financial statements

The annual financial statements of Alexander Forbes Retirement Fund (Provident Section) are the responsibility of the Board of Fund. The Board of Fund fulfils this responsibility by ensuring the implementation and maintenance of accounting systems and practices adequately supported by internal financial controls. These controls, which are implemented and executed by the Fund and/or its benefit administrator, provide reasonable assurance that:

- the Fund's assets are safeguarded;
- transactions are properly authorised and executed; and
- the financial records are reliable.

The annual financial statements set out on pages 17 to 73 have been prepared for regulatory purposes in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, the Rules of the Fund and the Pension Funds Act of South Africa.

These annual financial statements have been reported on by the independent auditors, Deloitte & Touche, who were given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Board of Fund believes that all representations made to the independent auditors in the management representation letter during their audit were valid and appropriate. The report of the independent auditors is presented on pages 14 to 16.

Non Compliance Disclosure

The following instances of non-compliance with Acts, Legislation, Regulations and Rules, including the provisions of laws and regulations that determine the reported amounts and disclosures in the annual

**SCHEDULE B
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)**

Registration number: 12/8/34766

Statement of Responsibility by the Board of Fund

For the period ended 31 March 2024

financial statements came to our attention and were not rectified in each instance before the Board of Fund's approval of the annual financial statements:

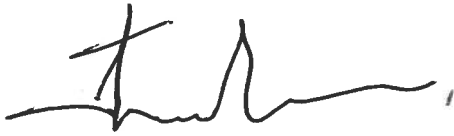
Nature and cause of non-compliance	Impact of non-compliance matter on the Fund	Corrective course of action taken to resolve non-compliance matter
<p>Section 14 a) Submission timeframe b) Asset transfer timeframe – tax directives for some members are declined, delays asset transfers</p>	<p>Potential penalties may be applied.</p>	<p>A request for revision of Section 14 application approval is sought, removing the members who have tax issues, in order for assets of the balance of members to be finalised and transferred. A new Section 14 application is submitted for the members removed once their tax issues have been resolved. Extensions were applied for the Section 14 transfers and were obtained from the Financial Services Conduct Authority.</p>
<p>Contributions not received within 7 days after month-end in accordance with Section 13A.</p>	<p>Contravention of the Act and prejudice to members as a result of the Participating Employers non-compliance under Section 13A. The Board of Fund understands the impact of the outstanding contributions deprives the member of accumulation of retirement savings and foregone investment returns.</p>	<p>Late payment interest has been raised for contributions not received within 7 days after month end and the required reporting has been done to both the Board of Fund and the Financial Sector Conduct Authority. Where the employer contributions are in arrears a letter of demand is issued for the arrears. If arrears remain after 90 days, and there is no approved payment plan in place, the Board of Fund consider terminating the delinquent participating employers' participation, taking into account engagement on contributions and arrears, and the employer's payment history. Termination is then instituted either through a section 14 transfer out to another fund at the termination date (provided arrears are received) or partial liquidation in terms of the rules.</p>

SCHEDULE B
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)
Registration number: 12/8/34766

Statement of Responsibility by the Board of Fund
For the period ended 31 March 2024

These annual financial statements:

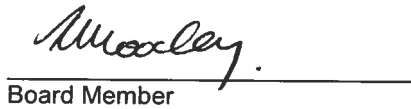
- were approved by the Board of Fund on _____;
- are, to the best of the Board members' knowledge and belief, confirmed to be complete and correct;
- fairly represent the net assets of the Fund as at 31 March 2024 as well as the results of its activities for the period then ended; and
- are signed on behalf of the Board of Fund by:



Chair



Board Member




Board Member

SCHEDULE C
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)
 Registration number: 12/8/34766

Statement of Responsibility by the Principal Officer
 For the period ended 31 March 2024

I confirm that, for the period under review, Alexander Forbes Retirement Fund (Provident Section) has timeously submitted all regulatory and other returns, statements, documents and any other information as required in terms of the Pension Funds Act and, to the best of my knowledge, all applicable legislation except for the following:

Specific instances of non-compliance	Remedial action taken
1. Section 14 a) Submission timeframe b) Asset transfer timeframe – tax directives for some members are declined, delays asset transfers	a) A request for revision of Section 14 application approval is sought, removing the members who have tax issues, in order for assets of the balance of members to be finalised and transferred. A new Section 14 application is submitted for the members removed once their tax issues have been resolved. Extensions were applied for the Section 14 transfers and were obtained from the Financial Services Conduct Authority. b) Payments later than 60-180 days in respect of transfers out are addressed with the administrators.
2. Contributions not received within 7 days after month-end in accordance with Section 13A.	Late payment interest has been raised for contributions not received within 7 days after month end and the required reporting has been done to both the Board of Fund and the Financial Sector Conduct Authority. Where the employer contributions are in arrears a letter of demand is issued for the arrears. If arrears remain after 90 days, and there is no approved payment plan in place, the Board of Fund consider terminating the delinquent participating employers' participation, taking into account engagement on contributions and arrears, and the employer's payment history. Termination is then instituted either through a section 14 transfer out to another fund at the termination date (provided arrears are received) or partial liquidation in terms of the rules.



 N Zwane
 Principal Officer

Place: Sandton

Date: _____

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF FUND OF THE ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alexander Forbes Retirement Fund (Provident Section) (the Fund) set out on pages 31 to 73, which comprise the statement of net assets and funds as at 31 March 2024 and the statement of changes in net assets and funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Fund for the year ended 31 March 2024 are prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Financial reporting framework and restriction on use

We draw attention to the *Purpose and basis of preparation of financial statements* note to the financial statements, which describes the basis of preparation of the financial statements. The financial statements have been prepared for the purpose of the Fund's reporting to the Financial Sector Conduct Authority (the Authority) in terms of section 15(1) of the Pension Funds Act No. 24 of 1956, as amended (the Pension Funds Act of South Africa), and have been prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Board of Fund and the Authority and should not be used by parties other than the Board of Fund or the Authority. Our opinion is not modified in respect of these matters.



National Executive: *R Redfearn Chief Executive Officer *GM Berry Chief Operating Officer JW Eshun Managing Director Businesses LN Mahluza Chief People Officer *N Sing Chief Risk Officer AP Theophanides Chief Sustainability Officer *NA le Riche Chief Growth Officer *ML Tshabalala Audit & Assurance AM Babu Consulting TA Odukoya Financial Advisory G Rammego Risk Advisory DI Kubeka Tax & Legal DP Ndlovu Chair of the Board

A full list of partners and directors is available on request

* Partner and Registered Auditor

B-BBEE rating: Level 1 contribution in terms of the DTI Generic Scorecard as per the amended Codes of Good Practice

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Other information

The Board of Fund is responsible for the other information. The other information comprises the information included in the Annual Financial Statements in terms of section 15 of the Pension Funds Act of South Africa, of the Fund for the period 1 April 2022 to 31 March 2024, but does not include the financial statements (schedules F, G and HA) and our auditor's report thereon (schedule D)

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Fund for the Financial Statements

The Board of Fund is responsible for the preparation of the financial statements in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa and for such internal control as the Board of Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Fund is also responsible for compliance with the requirements of the Rules of the Fund and the Pension Funds Act of South Africa.

In preparing the financial statements, the Board of Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

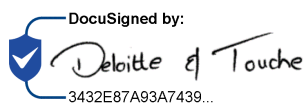
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Fund.

- Conclude on the appropriateness of the Board of Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

We communicate with the Board of Fund regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Statement of Responsibility by the Board of Fund describes instances of non-compliance with laws and regulations, including those that determine the reported amounts and disclosures in the financial statements that have come to the attention of the Board of Fund and the corrective action taken by the Board of Fund. There are no additional instances of non-compliance with laws and regulations that came to our attention during the course of our audit of the financial statements.



Deloitte & Touche
Registered Auditors
Per: Ronel van Graan
Partner

28 September 2024

5 Magwa Crescent
Waterfall City
Johannesburg
2090

SCHEDULE E
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Report of the Board of Fund

For the period ended 31 March 2024

1. Description of the Fund

Type of Fund

In terms of section 1 of the Income Tax Act, 1962 the Fund is classified as a provident fund.

The Fund is a defined contribution fund. In terms of Regulation 30(2)(t)(ii) of the Regulations of the Pension Funds Act, the Fund is classified as a Type A umbrella fund.

Benefits

Fund benefits

The objective of the Fund is to provide retirement and other benefits for employees of participating employers as well as benefits in the event of their death as per the Rules of the Fund.

Deferred retirees and Preserved members

The administrator maintains separate records for members who opt to preserve their retirement benefit in the Fund.

For members who opt to preserve their benefit upon leaving service these members shall be referred to as Preserved members. Preserved members also includes members who are due an exit benefit in terms of the Rules of the Fund, but who do not make a payment election and whose benefit is then preserved in the Fund for their benefit as envisaged in Regulation 38 and a paid-up certificate is issued. The Preserved members fund credit shall be debited with expenses and increased or decreased by investment return to calculation date. Preserved members shall be entitled to a benefit after becoming a preserved member, subject to the provisions of the Income Tax Act, 1962. No further contributions shall be made in respect of Preserved members.

In the case of Deferred retirees, the members shall mean members who retire from service and who elect for their retirement benefit to be retained in the Fund until election date subject to the provisions of the Rules of the Fund.

In terms of these Rules these are still defined as Preserved members (b) of the definition.

On election date the member shall become entitled to an annuity of such amount to be purchased by the members fund credit subject to the provisions of the Income Tax Act, 1962, the Insurance Act, 18 of 2017 and any other requirements specified by the Revenue Authorities. The member may elect to commute up to one third of his benefit for a lump sum. Prior to election date the member may elect to transfer his Fund credit to an Approved Retirement Annuity.

Unclaimed benefits

Complete records, as prescribed, are maintained by the Fund for unclaimed benefits.

SCHEDULE E
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Report of the Board of Fund

For the period ended 31 March 2024

Strategy of the Board of Fund towards unclaimed benefits

The administrator shall maintain a separate record in respect of benefits due under the Fund which have not been claimed or paid, except in the case of a Deferred Retiree and Preserved Member. Subject to the provisions of the Act any such benefits may be dealt with in the manner set out below:

- Be allocated to the Unclaimed Benefits Account and if a potential beneficiary approaches the Fund at any stage the Board of Fund shall consider the claim and if the circumstances so warrant, shall pay to the beneficiary that part of the benefit, adjusted by investment return as they may allow, that as at the date of payment to the beneficiary is in excess of tracing costs, and any costs incurred by the Fund in the administration of such benefit; or,
- If so decided by the Board of Fund, that part of the benefit, increased by such interest as they may allow, that as at the date of transfer in terms of the rules is in excess of tracing costs, and any costs incurred by the Fund in the administration of such benefit, may be transferred to a national fund established by legislation for the purpose of housing unclaimed benefits, or to a fund established by an administrator for the same purpose.

If any costs are incurred as a consequence of the Board of Fund tracing any potential beneficiaries whose benefits due under the Fund are unclaimed or in order to give effect to the provisions of Section 37C of the Act, such reasonable costs may be recovered from the benefits payable to such beneficiaries.

Beneficiary benefits

Beneficiary benefits are paid in terms of the Rules of the Fund.

Contributions

Members' contributions

Members shall make contributions throughout their service at the rate specified in the Special Rules of the participating employer.

Employers' contributions

Employers shall contribute to the Fund for the benefit of each member in their employment who is eligible at the rate specified in the Special Rules of the participating employer, less the cost of the contributions to risk schemes and administration costs as applicable. Certain employers utilise their Employer Surplus Account to fund contributions.

Additional voluntary contributions by members and employers

A member may make additional contributions to the Fund to secure greater benefits in accordance with such conditions and procedures as the employer, with the agreement of the Board of Fund, may prescribe from time to time. The payment of additional contributions to the Fund shall be subject to the limitations and requirements of the Income Tax Act, 1962. Such additional contributions shall be allocated to the member's fund credit.

An employer may make additional contributions to the Fund to secure greater benefits for the member in accordance with such conditions and procedures as the Board of Fund may require from time to time.

SCHEDULE E
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Report of the Board of Fund

For the period ended 31 March 2024

The payment of additional contributions to the Fund shall be subject to the limitations and requirements of the Income Tax Act, 1962. Such additional contributions shall be allocated to the member's fund credit.

Responsibilities of the Board of Fund

The Board of Fund confirms to the best of their knowledge and belief, that during the period under review, in the execution of their duties they have complied with the duties imposed by the Pension Funds Act of South Africa and the Rules of the Fund, by taking all reasonable steps to ensure that contributions, where applicable, were paid timeously to the Fund or reported where necessary in accordance with Section 13A and the Conduct Standard on Requirements Related to the Payment of Pension Fund Contributions.

All Rule amendments are available for inspection at the registered office of the Fund.

Reserves and specified accounts established in terms of the Rules of the Fund

Data Reserve Account

A Data Reserve Account shall be maintained under the Fund to which shall be credited or debited any amounts which may arise as a result of data or administrative errors. Subject to the approval of Board of Fund any general legal expenses of the Fund may be debited from this account. The amount standing to the credit of the Data Reserve Account shall be increased or decreased by any investment return as determined and allocated to the portfolio in which the assets in this account are invested.

It is specifically provided that the Board of Fund shall ensure that the Data Reserve Account will never have a negative balance.

Balance at year end is R453 386 (2023: R585 534).

Processing Error Reserve Account

The Fund may maintain a Processing Error Reserve Account to introduce a measure of protection of the Fund's financial position against mismatches that occur between the actual investment or disinvestment of monies and when they are deemed to have occurred in the calculation of benefits, as well as any other miscellaneous mismatches that may occur.

The level of the Processing Error Reserve Account shall be determined by the Board of Fund on the advice of the Actuary from time to time and shall not exceed the level of available assets after taking into account the liabilities of the Fund in terms of these Rules.

Assets in the Processing Error Reserve Account may, after consulting the Actuary, be:

- paid to Members leaving the Fund in any of the circumstances contemplated in these Rules;
- transferred to the Cost Contingency Reserve Account held for an Employer in terms of the Rules.

Balance at year end is R90 149 672 (2023: R77 771 680).

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Report of the Board of Fund

For the period ended 31 March 2024

Cost Contingency Reserve Account

A Cost Contingency Reserve Account may be established for each Employer, in order to assist with meeting such additional costs and expenses incurred by the Fund, as determined and approved by the Board of Fund with the agreement of the management committee of the Employer Cluster concerned, thereby enabling the Board of Fund to prudently manage the expenses of the Fund.

A Cost Contingency Reserve Account maintained under the Fund Shall be Credited with:

- any amounts transferred from a previous fund which are earmarked for allocation to this account;
- any amounts transferred from the Processing Error Reserve Account;
- that portion of the Employer's contribution to the Fund in terms of the Rules, that is allocated to this account in terms of the Special Rules.

The assets in the Cost Contingency Reserve Account shall be increased or decreased by the investment return as allocated to the portfolio in which the assets in this account are invested.

The amount standing to the credit of the Cost Contingency Reserve Account shall as determined by the Board of Fund with the agreement of the management committee of the Employer Cluster concerned, be debited with such reasonable costs and expenses which shall include but not be limited to:

- the costs of any additional training for the management committee of the Employer Cluster concerned;
- any expenses incurred by the management committee of the Employer Cluster concerned when conducting meetings on behalf of the Fund;
- the cost of roadshows for Members;
- the cost of enhanced retirement benefits counselling for Members;
- the cost of Member education; and
- any other reasonable costs and expenses as determined and approved by the Board of Fund with the agreement of the management committee of the Employer Cluster concerned.

It is specifically provided that the Board of Fund shall ensure that the Cost Contingency Reserve Account shall never have a negative balance.

Balance at year end is R241 961 (2023: Rnil).

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Employer Surplus Account

The Employer Surplus Account shall be credited with:

- amounts allocated by the board in terms of section 15B, 15C and 15F for use by the employer;
- such contributions as are specified in the Rules, and
- investment return on the balance in the account from time to time at a rate determined by the Board of Fund.

The amount standing to the credit of the Employer Surplus Account may be used by the employer at their discretion for any purposes set out in Section 15E of the Act.

As at 31 March 2024 the Employer Surplus Account is made up of:

	31 March 2024	31 March 2023
Distell Ltd	20 485 316	0
Grindrod Shipping South Africa (Pty) Ltd	67 406 207	0
Michelin Tyre Company South Africa (Pty) Ltd	3 853 897	3 519 804
Ster Kinekor Theatres (Pty) Ltd	1 871 779	9 132 736
British American Tobacco South Africa (Pty) Ltd	43 002 185	86 512 736
Monsanto South Africa (Pty) Ltd	7 173 502	6 678 232
Petroleum Agency of South Africa	475	434
Signify Commercial (Pty) Ltd	162	150
Philips South Africa Commercial (Pty) Ltd	5 803	5 623
GCP Applied Technologies Africa (Pty) Ltd	3 075 887	3 118 761
South Africa Energy Coal	5 952 730	5 436 688
South32 South Africa Ltd	0	8 384
Total	152 827 943	114 413 548

Member Surplus Account

The Member Surplus Account shall be credited with:

- any amount allocated in terms of Section 15B of the Act in terms of a surplus apportionment scheme approved by the Registrar;
- any amount in terms of Section 15C of the Act, including, if applicable; and
- any amounts arising from settlements made to the Fund in terms of the Rules.

The amount standing to the credit of the Member Surplus Account shall be increased or decreased by the investment return as determined and allocated in terms of the Rules to the portfolio in which the assets in this account are invested and may be used in the manner and for any purposes set out in the Act.

The Member Surplus Account has not been utilised during the year and has a Rnil balance at year end (2023: nil balance).

Unclaimed Benefits Account

The Unclaimed Benefits Account, separate to the Unclaimed Benefit Liability account as disclosed on the Statement of Net Assets and Funds, is a holding account the rules which may be utilised to house the pending claims and unpaid benefits of a terminating participating employer, which are not yet classified as Unclaimed in terms of the Pension Funds Act, to facilitate the deregistration of that employer. The

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benefits in the Unclaimed Benefits Account are periodically transferred to a Preservation Fund established for holding Unclaimed Benefits once classified as such in terms of the Pension Funds Act.

The Unclaimed Benefits Account may be credited with:

- amounts classified by the administrators as unclaimed benefits held by the Fund;
- investment return on the balance in the account from time to time at a rate determined by the Board of Fund to the portfolio in which the assets in this account are invested.

The Unclaimed Benefits Account may be debited with:

- payments to Members or other beneficiaries; and
- transfers to an Approved Preservation Fund, established for the purpose of housing unclaimed benefits.

The Unclaimed Benefits Account has not been utilised during the year and has a Rnil balance at year end (2023: nil balance).

Deferred Retiree Account

A Deferred Retiree Account shall be maintained under the Fund. This account shall be credited with:

- the retirement benefits of Deferred Retirees once their election to defer their retirement has been processed; and
- the Transfer Values of Transferred Deferred Retirees on transfer to the Fund.

The assets in the Deferred Retiree Account shall be increased or decreased by the Investment Return as allocated in terms of the Rules of the Fund to the portfolio in which the assets in this account are invested.

The Deferred Retiree Account shall be debited with:

- payments to Deferred Retirees, Transferred Deferred Retirees or other beneficiaries in terms of the Rules of the Fund; and
- transfers, at the election of the Deferred Retiree or the Transferred Deferred Retiree to an Approved Retirement Annuity Fund or an Approved Preservation Fund.

The balance at year end is R837 666 401 (2023: R278 770 002), and is included under Member Individual Accounts.

Preserved Member Account

A Preserved Member Account shall be maintained under the Fund. This account shall be credited with:

- the Fund Credits of Preserved Members whose benefits on leaving Service have been retained in the Fund;
- the Transfer Values of Transferred Preserved Members on transfer to the Fund.

The assets in the Preserved Member Account shall be increased or decreased by the Investment Return as allocated in terms of the Rules of the Fund to the portfolio in which the assets in this account are invested.

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The Preserved Member Account shall be debited with:

- payments to Members or other beneficiaries in terms of the Rules of the Fund;
- transfers, at the election of the Preserved Member in terms of the Rules of the Fund, to another Approved Preservation Fund or an Approved Retirement Annuity Fund, provided that the transfer to an Approved Preservation Fund is subject to the requirements of the Revenue Authorities as specified from time to time;
- transfers, as determined by the Board of Fund to an Approved Preservation Fund established for the purpose of housing unclaimed benefits;
- transfers, at the election of the Preserved Member or a Transferred Preserved Member in terms of the Rules of the Fund, to the Deferred Retiree Account; and
- if applicable, any deductions in terms of the Rules of the Fund.

The balance at year end is R2 377 291 667 (2023: R2 399 666 825), and is included under Member Individual Accounts.

Living Annuities

The Fund maintained a living annuity capital account in respect of all Living Annuities in terms of the Rules. Amendment 1 to the Rules provided for this account to be closed and the In-fund living annuitants to be transferred by Section 14 to Alexander Forbes Retirement Fund Income Solution. The transfer was approved on 28 April 2023 and concluded in July 2023.

The balance at year end is Rnil (2023: R144 978 435), and was included under Member Individual Accounts.

Fund Expense Reserve Account

The Fund shall maintain a Fund Expense Reserve Account, to which shall be credited such portion of the administration fee deducted for Fund expenses as the Board of Fund may decide from time to time. The amount standing to the credit of the Fund Expense Reserve Account shall be increased or decreased by the Investment Return as allocated in terms of Rule 13.6(a) to the portfolio in which the assets in this account are invested. The Fund Expense Reserve Account shall be debited with such expenses incurred by the Fund as may be agreed by the Board of Fund from time to time.

It is specifically provided that the Board of Fund shall ensure that the Fund Expense Reserve Account shall never have a negative balance.

Balance at year end is R5 149 733 (2023: R5 118 880).

2. Investments

Investment strategy

The Board of Fund has formulated an investment strategy that complies with the provisions of Regulation 28 of the Pension Funds Act, after taking due consideration of the advice of the Fund's investment and other professional advisors. In terms of the investment strategy, the investments are managed according to the following principles:

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Report of the Board of Fund

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General principles

The general investment principles of the Fund at the reporting date are to provide a LifeStage model investment strategy which comprises a range of portfolios. Members may make an individual choice according to their risk profile if the default portfolios are not appropriate to their individual needs.

Where the management committee of a participating employer feels that the LifeStage model and members investment choice are inappropriate given the membership profile of their members, the management committee may set an alternative investment strategy for their membership within the framework agreed by the Trustees.

Unclaimed benefits

Unclaimed benefits are invested in the Alexander Forbes Investments Limited - AFRF Banker portfolio.

Employer Surplus Account

The investment strategy adopted by the Board of Fund regarding the investment of the Employer Surplus Account is as follows:

- The participating employer may request that Employer Surplus Account is invested in any of the investment portfolios available in terms of the investment strategy of the Fund.

As at the financial year end the Employer surplus accounts were invested in:

- Alexander Forbes Investments Limited - AF Banker Portfolio;
- Alexander Forbes Investments Limited - AF Real Return Focus Portfolio; and
- Alexander Forbes Investments Limited - AF Performer Portfolio.

Data Reserve Account

The investment strategy adopted by the Board of Fund regarding the investment of the Data Reserve Account is as follows:

- 100% of all investments/disinvestments are made into the Alexander Forbes Investments Limited - AF Spectrum Portfolio.

Preserved Members Account

Members carry-over their active strategy unless they make a preferred election change, or they are invested in a grandfathered investment option not available under the Preserved Member Account, in which case they are invested in the Fund investment default portfolios.

Deferred Retirees and Living Annuities

Deferred Retirees and Living Annuitants can only select portfolios that meet their individual needs.

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Processing Error Reserve Account

The Processing Error Reserve Account is invested in any of the investment portfolios available in terms of the investment strategy of the Fund.

Fund Expense Reserve Account

The Fund Expense Reserve Account may be invested in the Fund bank account in terms of the investment strategy of the Fund.

Cost Contingency Reserve Account

The Cost Contingency Reserve Account is invested in any of the investment portfolios available in terms of the investment strategy of the Fund.

The following reserve accounts are not utilised at the moment and will be invested in any of the investment portfolios available in terms of the investment strategy of the Fund:

- Member Surplus Account; and
- Unclaimed Benefits Account.

Management of investments

It is the Fund's policy to mandate the investment multi-manager to manage the Fund's investments in accordance with the Fund's investment strategy. The Multi-manager is granted complete discretion as to the management and composition of the investment portfolios subject to their mandate and the limitations imposed by the Pension Funds Act in South Africa. The Multi-manager is selected on their performance, sector or specialist knowledge, professional competence and ability to deliver on the Fund's investment strategy. The Multi-manager is remunerated on a fee basis and is paid monthly.

The Board of Fund meet regularly to (i) discuss and if necessary, review the investment strategy, (ii) discuss and if necessary, review the investment management policy, and (iii) monitor the asset allocation and performance of the multi-manager against their mandate and the investment strategy of the Fund.

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Report of the Board of Fund

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3. Membership

Active members

At beginning of period	213 883
Additions	58 029
Adjustments	681
Less:	
Withdrawals	23 466
Retrenchments	3 153
Deaths	548
Retirements	1 505
Transfers to deferred members	5 889
Transfers to other funds	4 769
At end of period	233 263

Number at end of period (South African citizen)	224 635
Number at end of period (non-South African citizen)	6 033
Number at end of period (no information available)	2 595

Adjustments

The adjustment of 681 relates to members who were late entrants in respect of the previous reporting period.

Deferred members

At beginning of period	6 337
Transfers from active members	5 889
Less:	
Withdrawals	4 349
At end of period	7 877

Number at end of period	7 877
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Default Regulation Members, Preserved Members and Deferred Retirees

The 7 877 includes Default Regulation Members of 1 394, Preserved Members of 6 409 and Deferred Retirees of 74.

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Pensioners

At beginning of period	69
Less:	
Deaths	1
Transfers to other funds	68
At end of period	0

Pensioners

The pensioners referred to above are in respect of the Living Annuitants.

Unclaimed benefits

At beginning of period	7 819
Additions	3 623
Less:	
Settled in full	2 397
Adjustments	601
At end of period	8 444

Number at end of period 8 444

Citizenship

As per feedback received from the Financial Sector Conduct Authority, the citizenship disclosure is based on the members' identification numbers (ID's).

Adjustments

The adjustment of 601 refers to members indicated in the prior period whose status were corrected to non unclaimed benefits in the current period.

4. Actuarial valuation

In terms of Board Notice 59 of 2014, Notice on Valuation Exemption, a Fund may apply for valuation exemption once the provisions set out in the Board Notice have been complied with. This exemption will remain valid unless it is withdrawn by the Financial Sector Conduct Authority as a result of one or more of the provisions not being met.

The Fund applied for valuation exemption with effect from 01 April 2020 up to 15 December 2023 and the Authority approved the application on 22 February 2023. The original application for valuation exemption was reconsidered and the Authority granted valuation exemption until 31 March 2025. The Fund must undergo a statutory actuarial valuation as at 31 March 2025, which must be submitted to the Financial Sector Conduct Authority by 31 March 2026 (although the fund may apply for a further exemption).

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For the period ended 31 March 2024

5. Housing loan facilities

Housing loan guarantees

The Fund has granted housing loan guarantees in terms of the Rules of the Fund and Section 19(5) of the Pension Funds Act. Each loan is secured by the member's fund credit in the Fund.

Guarantee facilities provided by ABSA Bank Limited will not be renewed as this service has been discontinued for new loans with effect from 1 February 2017. ABSA has confirmed that existing housing loan guarantees may be included in the existing facility on transfer into the Fund. The facilities provided by FirstRand Bank Limited and the Standard Bank of South Africa Limited are however renewable annually.

6. Investments in participating employers

The Fund held no direct investments in any of the participating employers during the period.

7. Significant matters

Transfer of In-Fund Living Annuities

The Board of Fund agreed at the 30 March 2022 Board of Fund meeting that the In-fund living annuitants will be transferred by Section 14 to Alexander Forbes Retirement Fund Income Solution. The rules were amended to provide for this with effect from 1 October 2022 and a Section 14 application submitted to facilitate this, which was approved by the Authority on 28 April 2023. The approved transfer out of the In-fund living annuitants to the Alexander Forbes Retirement Fund Income Solution was concluded by the end of July 2023.

Impact of changes in Regulation 28 on the annual financial statements

Regulation 28 under the Pension Funds Act was amended (Gazetted on 5 July 2022) to include additional reporting requirements in relation to infrastructure assets and amendments to the asset spreading requirements). The intention is that the draft Regulatory Reporting Standard (the Standard) will replace Board Notice 77, but the consultation process for the Annual Financial Statements (AFS) has not been finalised. The FSCA clarified in Communication 19 of 2023 released on 19 July 2023, (RF) paragraph 3.1, that since the Regulatory Reporting Standard has not yet been finalised, funds must continue to prepare annual financial statements in accordance with the requirements of Board Notice 77 (including the existing Schedule IB).

The revised Regulation 28 now includes Category 9 (Private equity), Category 10 (Other assets not referred to in this schedule and excluding a hedge fund or private equity fund) and Category 11 (Investments in Infrastructure) and a new Table 2 with reference to "Investments in Infrastructure", which has not been included in the current Regulation 28 disclosure in these financial statements. Accordingly, the current Regulation 28 disclosure does not comply with the revised Regulation 28 requirements (Gazetted on 5 July 2022).

Currently, in accordance FSCA Communication 19 of 2023 released on 19 July 2023 certain of the percentage limits have been amended and all investments are to be disclosed on a look through basis

SCHEDULE E
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Report of the Board of Fund

For the period ended 31 March 2024

except for non-linked insurance policies where no look-through information is available from the investment administrators.

Replacement of legacy Real Return Focus LifeStage

The Board of Fund resolved to replace the Alexander Forbes Investments Limited legacy Real Return Focus LifeStage investment portfolio, ringfenced for members that transferred from Alexander Forbes Core Plan, with the Alexander Forbes Investments Limited Retirement Navigator investment portfolio, as discussed and agreed across various Board of Fund investment meetings.

This was a result of a review of the investment strategy of the Fund where the asset consultants advised that from an investment consulting perspective, the legacy investment strategy was no longer in line with Alexander Forbes best advice and thought leadership as it applied to default investment strategies. The legacy investment portfolio was constructed to provide a smoothing of returns and reduced volatility in line with the needs of the membership for which it had been ringfenced. The Retirement Navigator investment portfolio had subsequently been included in the investment strategy of the Fund and provided a specific smoothing solution, which was considered a better solution than the legacy model.

Members who did not wish to be switched into the Retirement Navigator investment portfolio could select any of the other investment portfolios offered for member investment choice before the effective change date. Members who subsequently wish to switch out of the Retirement Navigator investment portfolio can also do so. The transfer of assets was completed in September 2023.

Additional member investment choice portfolios

In respect of the Linked Fund Policy held by Alexander Forbes Investments Limited and the Alexander Forbes Retirement Fund, the Board of Fund approved the AF Explorer and the AF Passive Explorer investment portfolios as nominated portfolios for member investment choice effective 01 June 2023.

Investment Policy Statement (IPS)

The Board of Fund approved an updated and revised IPS and adopted a Responsible Investment Policy in December 2023.

Protection of Personal Information

The Board has noted the promulgation of the Protection of Personal Information Act, with which the Fund needed to comply with by 30 June 2021. The Board appointed Nathalie Burrows as the information Officer with effect from 01 July 2021 to ensure ongoing compliance. Nathalie Burrows resigned and Chantell Watkins was appointed as the new Information Officer with effect from 01 March 2024.

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Report of the Board of Fund

For the period ended 31 March 2024

8. Subsequent event/(s)

Since the end of the period the following significant event/(s) occurred:

Two pot legislation

Two pieces of legislation giving effect to the two-pot system ("two-pot legislation") came into effect on 1 September 2024. Amendment 3 to the Rules of the Fund to cater for the required two-pot system changes were submitted to the FSCA in May 2024 and were approved prior to 1 September 2024. The administration system has been developed to provide for the member record and system changes required as at 1 September 2024.

SCHEDULE F
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Statement of Net Assets and Funds

At 31 March 2024

	Notes	Current period R	Previous period R
ASSETS			
Non-current assets			
Investments	1	73 534 276 145	64 103 697 370
		<u>73 534 276 145</u>	<u>64 103 697 370</u>
Current assets			
Transfers receivable	3	576 804 213	506 714 560
Accounts receivable	4	158 746 123	180 295 242
Contributions receivable	5	342 733 602	277 115 619
Cash at bank		1 328 573 135	1 531 754 770
		<u>2 406 857 073</u>	<u>2 495 880 191</u>
Total assets		<u>75 941 133 218</u>	<u>66 599 577 561</u>
FUNDS AND LIABILITIES			
Members' individual accounts		73 744 789 450	64 585 302 375
Amounts to be allocated	15	387 917 813	2 397 615
		<u>74 132 707 263</u>	<u>64 587 699 990</u>
Reserve accounts			
Reserve accounts	6	95 994 752	83 476 094
		<u>95 994 752</u>	<u>83 476 094</u>
Total funds and reserves		<u>74 228 702 015</u>	<u>64 671 176 084</u>
Non-current liabilities			
Employer surplus account	7	152 827 943	114 413 548
Unclaimed benefits	8	147 386 581	135 936 140
		<u>300 214 524</u>	<u>250 349 688</u>
Current liabilities			
Transfers payable	9	247 606 778	498 392 283
Benefits payable	10	1 017 817 251	1 053 289 249
Accounts payable	11	146 792 650	126 370 257
		<u>1 412 216 679</u>	<u>1 678 051 789</u>
Total funds and liabilities		<u>75 941 133 218</u>	<u>66 599 577 561</u>

SCHEDULE G
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Statement of Changes in Net Assets and Funds

For the period ended 31 March 2024

	Notes	Members' individual accounts and amounts to be allocated R	Reserve account/(s) R	Current period R	Previous period R
Contributions received and accrued	5	7 963 399 447	9 509 870	7 972 909 317	6 773 414 514
Contributions transferred from surplus accounts	7	58 739 342	0	58 739 342	132 740 551
Reinsurance proceeds		351 802 914	0	351 802 914	329 389 777
Net investment income	12	6 750 630 979	301 295	6 750 932 274	3 741 396 000
Other income	13	0	435 066	435 066	1 917 204
Net income before expenses		15 124 572 682	10 246 231	15 134 818 913	10 978 858 046
Less					
Reinsurance premiums		623 742 717	0	623 742 717	583 726 723
Administration expenses	14	202 386 975	9 533 648	211 920 623	178 336 137
Net income before transfers and benefits		14 298 442 990	712 583	14 299 155 573	10 216 795 186
Transfers and benefits					
Transfers from other funds	3	4 742 297 952	0	4 742 297 952	2 095 739 277
Transfers to other funds	9	(1 047 991 230)	0	(1 047 991 230)	(1 281 411 098)
Benefits	10	(8 251 526 821)	0	(8 251 526 821)	(6 663 323 319)
Net income before funds and reserves		9 741 222 891	712 583	9 741 935 474	4 367 800 046
Funds and reserves					
Balance at beginning of period		64 587 699 990	83 476 094	64 671 176 084	60 659 371 359
		74 328 922 881	84 188 677	74 413 111 558	65 027 171 405
Net investment return allocated					
Benefits payable to current members	10	(63 487 616)	0	(63 487 616)	(58 691 466)
Unclaimed benefits	8	(10 370 819)	0	(10 370 819)	(2 942 757)
Transfers to other funds	9	(13 397 371)	0	(13 397 371)	(186 195 995)
Surplus and reserve accounts		(10 992 579)	0	(10 992 579)	(9 715 553)
		74 230 674 496	84 188 677	74 314 863 173	64 769 625 634
Transfer between reserve account/(s) and					
Members' individual accounts		(11 806 075)	11 806 075	0	0
Allocations from/(to) surplus accounts for					
Transfers from other funds	7	(86 161 158)	0	(86 161 158)	(98 449 550)
Balance at end of period		74 132 707 263	95 994 752	74 228 702 015	64 671 176 084

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

Basis of preparation

The financial statements are prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, the rules of the fund and the provisions of the Pension Funds Act in South Africa. The financial statements are prepared on the historical cost and going concern bases, except where specifically indicated in the accounting policies below:

Principal accounting policies

The following are the principal accounting policies adopted by the Fund. These policies have been applied consistently to all years presented, unless otherwise stated.

Financial instruments

A financial instrument is recognised when the Fund becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value plus directly attributable transaction costs other than those classified at fair value through the Statement of Changes in Net Assets and Funds. Gains or losses arising from changes in the fair value are presented in the Statement of Changes in Net Assets and Funds in the period in which they arise.

Financial instruments include financial assets, cash and cash equivalents, accounts receivable and accounts payable.

Financial instruments include the following instruments per category:

Financial assets at fair value through Statement of Changes in Net Assets and Funds

- Insurance policies

Loans and receivables

- Cash
- Accounts receivable

Other financial liabilities

- Accounts payable

Insurance policies

Linked policies

If the policy is unitised, the value is equal to the market value of the underlying units. Other linked or market-related policies are valued at the market value of the underlying assets for each policy, in line with the insurer's valuation practices.

Cash

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in fair value. Cash and cash equivalents are initially measured at fair value and subsequently at amortised cost using the effective interest method.

Accounts receivable

Accounts receivable are subsequently measured at amortised cost using the effective interest method, less impairment losses. Receivables with a short duration are not discounted as the effects of discounting are immaterial.

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

Accounts payable

Accounts payable are subsequently measured at amortised cost, using the effective interest method. Payables with a short duration are not discounted as the effects of discounting are immaterial.

Transfers from other funds

Section 14(1) transfers from other funds

Section 14 transfers from a fund are recognised on the date of approval of the scheme/arrangement of transfer of business by the Financial Sector Conduct Authority, as contained in the approval certificate obtained from the Authority.

Section 14 transfers are measured at the values as per the Section 14 application at effective date of transfer, adjusted for investment return or late payment interest, and any members who exited the fund after the effective date of the transfer but prior to the approval of the application from the Financial Sector Conduct Authority.

Section 14(8) transfers

Section 14(8) transfers, in accordance with Section 14(8) of the Pension Funds Act, are recognised when the transfer is signed off by duly authorized officials of both the transferor and transferee Funds respectively (i.e. the chairperson or another member of the board and the principal officer of the Fund).

Individual transfers

Individual transfers are recognised on the earlier of receipt of the written notice of transfer (Recognition of Transfer) or receipt of the actual transfer value. Individual transfers are measured at the value of the transfer at effective date of transfer adjusted for investment return or late payment interest.

Contingent assets

A contingent asset is disclosed where an inflow of economic benefits is probable and is not recognised in the Statement of Net Assets and Funds, but rather disclosed in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements and if it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements in the period in which the change occurs.

Contributions

Contributions received and accrued

Contributions are measured at the fair value of the consideration received or receivable and are accrued and recognised as income in accordance with the rules of the Fund. Contributions received are apportioned between retirement funding and funding for risk and administration expenses. The apportionment is governed by the rules of the Fund. Any contributions outstanding at the end of the reporting period are recognised as a current asset – contributions receivable.

Any contributions received in advance at the end of the reporting period are recognised as a current liability - contributions payable.

Contributions received and accrued only include cash payments from the member and employer. They do not include contributions funded from reserve or surplus accounts.

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Voluntary contributions

Voluntary contributions are measured at the fair value of the considerations received or receivable. Voluntary contributions are recognised when they are received for annual payments or accrued where monthly recurring payments are made. Any contributions outstanding at the end of the reporting period are recognised as a current asset – contributions receivable. Any contributions received in advance at the end of the reporting period are recognised as a current liability – contributions payable.

Contributions transferred from surplus accounts

Contributions transferred from surplus accounts include any contributions that are funded from the surplus accounts. This relates to any contribution holiday after surplus apportionment has been approved and the corresponding utilisation of the Employer surplus account has been approved.

Interest charged on late payment of contributions

Compound interest (compounded daily) on late payments or unpaid amounts and values is calculated for the period from the first day of the month following the expiration of the period in respect of which the relevant amounts or values are payable or transferable until the date of receipt by the Fund.

Interest at a rate as prescribed from time to time by the Minister by notice in the Gazette shall be payable on the amount of any contribution transferred into a Fund's bank account later than seven days after the end of the period for which such a contribution is payable on the amount of any contribution transmitted into a Fund's bank account later than seven days after the end of the period for which such a contribution is payable.

Reserves and specified accounts

Reserve accounts are accounted for in terms of the rules of the Fund.

Transfers to other funds

Section 14(1) transfers to other funds

Section 14 transfers to other funds are recognised on the date of approval of the scheme/arrangement of transfer of business by the Financial Sector Conduct Authority, as contained in the approval certificate obtained from the Authority.

Section 14 transfers are measured at the values according to the Section 14 application at effective date of transfer adjusted for investment return or late payment interest, and any members who exited the Fund after the effective date of the transfer but prior to the approval of the application from the Financial Sector Conduct Authority.

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Section 14(8) transfers

Section 14(8) transfers, in accordance with Section 14(8) of the Pension Funds Act, are recognised when the transfer is signed off by duly authorized officials of both the transferor and transferee Funds respectively (i.e. the chairperson or another member of the board and the principal officer of the Fund).

Individual transfers

Individual transfers are recognised on the earlier of receipt of the written notice of transfer (Recognition of Transfer) or receipt of the actual transfer value. Individual transfers are measured at the value of the transfer at the effective date of transfer, adjusted for investment return or late payment interest as guided by the application.

Benefits

Benefits payable are measured in terms of the rules of the Fund. Benefit payments are recognised as an expense when they are due and payable in terms of the rules of the Fund. Any benefits not paid at the end of the reporting period are recognised as a current liability and are classified as benefits payable.

Reinsurance proceeds

Reinsurance proceeds are measured at the fair value of the consideration received or receivable and are accrued and recognised as income at the same time as the recognition of the related claim.

Divorce orders

Divorce orders are recognised in the Statement of Changes in Net Assets and Funds upon notification of the divorce order by the non-member spouse. The divorce order is measured in accordance with the divorce order decree and requirements of the Income Tax Act.

Unclaimed benefits

Unclaimed benefits are claims payable to current or former members that remain unpaid in excess of 24 months from the date it becomes due and payable in terms of the Rules of the Fund. Unclaimed benefits are initially measured at cost and subsequently measured at amortised cost. Unclaimed benefits are classified and disclosed as a non-current liability.

Living annuities in the name of the Fund

The payment of pensions constitutes the payment of a benefit under benefits awarded. The note disclosure for benefits awarded requires the payment of pensions to be shown under pensions paid.

Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities

A contingent liability is not recognized in the Statement of Net Assets and Funds, but rather disclosed in the Notes to the Financial Statements unless the possibility of an outflow of economic benefits is remote. Contingent liabilities are assessed continually to determine whether an outflow of economic benefits has

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become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

Investment income

Interest

Interest income in respect of financial assets held at amortised cost is accounted for in the Statement of Changes in Net Assets and Funds using the effective interest method.

Insurance policy income

Insurance policy income is recognised when the right to receive payment is established.

Interest on late payment of contributions

Interest on late payment of contributions, surplus improperly utilised and/or loans and receivables is accounted for in the Statement of Changes in Net Assets and Funds using the effective interest rate method.

Adjustment to fair value

Gains or losses arising from changes in the fair value of 'financial assets at fair value through the Statement of Changes in Net Assets and Funds' are presented in the Statement of Changes in Net Assets and Funds in the period in which they arise.

Expenses incurred in managing investments

Expenses in respect of the management of investments are recognised as the service is rendered.

Administration expenses and reinsurance premiums

Expenses incurred in the administration of the Fund and reinsurance premiums are recognised in the Statement of Changes in Net Assets and Funds in the reporting period in which it occurred. An expense is recognised if it is probable that any future economic benefit associated with the item will flow from the Fund and the cost can be reliably measured. In the event that an expense has not yet been paid at the end of the reporting period the liability will be reflected in the accounts payable note. If an expense has been paid in advance or has been overpaid, the asset will be disclosed in the accounts receivable note.

Administration fees on unclaimed benefits

General administration expenses that are attributable to unclaimed benefits and collectible from the unclaimed beneficiaries are credited against administration expenses and debited against unclaimed benefits, as provided for in the rules of the Fund.

Member individual accounts

Member individual accounts comprise of the Funds attributable to individual members, preserved members, deferred retirees and living annuity pensioners represented by investments and cash balances.

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Amounts to be allocated

Amounts to be allocated represents transactions through the Fund which have not been allocated to members or reserves.

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1. Investments

1.1. Investment summary

	Local R	Foreign R	Total current period R	Total previous period R	Fair value current period R
Fair value through Statement of Changes in Net Assets and Funds					
Insurance policies	45 752 245 887	27 782 030 258	73 534 276 145	64 103 697 370	73 534 276 145
	45 752 245 887	27 782 030 258	73 534 276 145	64 103 697 370	73 534 276 145

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2. Housing loan facilities

Housing loan guarantees

	Current period R	Previous period R
ABSA Bank Limited	11 004 568	14 330 083
FirstRand Bank Limited	97 408 184	89 109 247
The Standard Bank of South Africa Limited	8 351 204	8 372 361
	116 763 956	111 811 691

FirstRand Bank Limited

The Fund has provided guarantees to FirstRand Bank Limited to secure housing loans for its members. The guarantees are limited to a percentage of the relevant members' post tax withdrawal benefits, in terms of the Rules of the Fund and Section 19(5) of the Pension Funds Act in South Africa. Each guarantee is secured by the withdrawal benefit of the respective members on whose behalf the guarantees were granted.

The total housing loan guarantee facility available to the Fund is R120 000 000 of which the Fund has utilised and provided guarantees of R97 408 184 (2023: R89 109 247).

The facilities are renewable on 31 May 2025.

ABSA Bank Limited

The Fund has provided guarantees to ABSA Bank Limited to secure housing loans for its members. The individual loans are limited to 80% of the relevant member's post tax lump sum cash withdrawal benefit.

The total housing loan guarantee facility available to the Fund is R11 098 661 962 of which the Fund has utilised and provided guarantees of R11 004 568 (2023: R14 330 083).

The facility is not renewable, but ABSA has confirmed that existing housing loan guarantees may be included in the existing facility on transfer into the Fund.

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The Standard Bank of South Africa Limited

The Fund has provided guarantees to the Standard Bank of South Africa Limited to secure housing loans for its members. The guarantees are limited to 65% of the relevant members' post tax lump sum withdrawal benefits, in terms of the Rules of the Fund and Section 19(5) of the Pension Funds Act in South Africa. Each guarantee is secured by the withdrawal benefit of the respective members on whose behalf the guarantees were granted.

The total housing loan guarantee facility available to the Fund is R15 000 000 of which the Fund has utilised and provided guarantees of R8 351 204 (2023: R8 372 361).

The facilities are renewable on 28 February 2025.

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3. Transfers from other funds

	Effective date	No. of members	At beginning of period R	Transfers approved R	Net investment return R	Assets transferred R	At end of period R
Total transfers in terms of Section 14		57 340	506 714 560	3 825 303 040	466 985 931	(4 222 199 318)	576 804 213
Lanxess Staff Provident Fund	01/03/2020	195	16 944 362	(16 944 362)	0	0	0
Motor Industry Provident Fund	01/04/2018	32	12 672 605	(12 672 605)	0	0	0
Motor Industry Provident Fund	01/04/2018	63	3 821 806	(3 821 806)	0	0	0
Auto Workers' Provident Fund	01/04/2018	37	3 247 396	(3 247 396)	0	0	0
South32 Retirement Fund	01/12/2018	549	8 525 732	(8 525 732)	0	0	0
Various Section 14 transfers	31/03/2022	49 599	156 757 822	808 441 096	282 504 718	(1 056 485 658)	191 217 978
Alexander Forbes Retirement Fund (Pension Section)							
Broll Property Group (Pty) Ltd	01/03/2022	175	3 034 339	(3 034 339)	0	0	0
Alexander Forbes Retirement Fund (Pension Section)							
South32 SA Limited	01/04/2022	2	4 822 238	(3 578 888)	0	(1 243 350)	0
10X Umbrella Provident Fund	01/06/2017	1 521	296 888 260	0	0	0	296 888 260
Tsogo Sun Group Pension Fund (Southern Sun Hotel Interests (Pty) Ltd)	01/08/2023	630	0	705 420 265	11 501 845	(716 922 110)	0
Ackermans Retirement Fund	01/11/2022	1 387	0	497 932 732	77 927 978	(575 860 710)	0
Coca-Cola Peninsula Beverages Provident Fund	01/11/2023	755	0	532 390 610	41 614 463	(529 800 386)	44 204 687
Coca-Cola Peninsula Beverages Pension Fund	01/11/2023	410	0	443 856 645	34 640 602	(441 595 935)	36 901 312
Robert Bosch Retirement Benefit Fund	01/09/2021	268	0	190 458 094	0	(190 458 094)	0
Alexander Forbes Retirement Fund (Pension Section)							
Oracle Corporation South Africa (Pty) Ltd	01/02/2023	374	0	231 902 110	2 877 609	(234 779 719)	0
Bidvest Umbrella Provident Fund (Mediscor PBM (Pty) Ltd)	01/02/2023	127	0	132 311 116	2 654 963	(134 966 079)	0
Bidvest Umbrella Provident Fund (Cullinan Holdings Ltd)	01/03/2023	656	0	117 962 988	3 469 073	(121 432 061)	0
Tsogo Sun Group Provident Fund (Akani-Egoli (Pty) Ltd T/A Gold Reef City Casino)	01/10/2023	317	0	113 112 151	9 794 680	(115 314 855)	7 591 976
Tsogo Sun Group Provident Fund (Tsogo Sun Casino Management Company (Pty) Ltd)	01/11/2023	243	0	103 340 361	0	(103 340 361)	0
Total transfers in terms of Section 15B/15E/15F		0	0	86 161 158	0	(86 161 158)	0
Grindrod Shipping South Africa (Pty) Ltd	30/03/2024	0	0	67 034 279	0	(67 034 279)	0
Distell Ltd	01/08/2023	0	0	19 126 879	0	(19 126 879)	0

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3. Transfers from other funds

	Effective date	No. of members	At beginning of period R	Transfers approved R	Net investment return R	Assets transferred R	At end of period R
Individual transfers		689	0	363 845 130	2 693	(363 847 823)	0
			506 714 560	4 275 309 328	466 988 624	(4 672 208 299)	576 804 213

Movement on Statement of Changes in Net Assets and Funds

Transfers approved	4 275 309 328
Net investment return	466 988 624
Transfers from other funds	4 742 297 952

Investment return

Included in transfers approved is net investment return earned from date of application to date of approval. This applies to all transfers where no investment return is reflected.

Transfers approved

The list of approved transfers disclosed as various transfers is available for inspection at the registered office of the Fund. The negative amounts reflected under Transfers approved is due to prior year over accruals of transfer values corrected in the current year.

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Transfers applied for not yet approved

	Effective date	No. of members	Total R
Section 14 transfers			
ABB Pension Fund	01/08/2023	511	666 218 864
Coca-Cola Peninsula Beverages Provident Fund	01/11/2023	806	532 390 610
Coca-Cola Peninsula Beverages Pension Fund	01/11/2023	432	443 856 645
Saint Gobain Provident Fund	01/12/2023	675	366 399 686
Pfizer Provident Fund	01/12/2022	176	248 969 431
Bidvest Umbrella Provident Fund (Cullinan Holdings Ltd)	01/02/2023	679	119 593 457
Tsogo Sun Group Provident Fund	01/10/2023	334	114 359 255
NBC Umbrella Retirement Fund	01/02/2023	216	95 195 287
United National Breweries (SA) (Pty) Ltd Provident Fund	01/02/2024	558	89 287 494
Alexander Forbes Retirement Fund (Pension Section) Pack 'n Stack (Pty) Ltd	01/11/2022	655	71 039 532
Various Section 14 transfers	31/03/2024	3 321	624 045 623
		8 363	3 371 355 884

The top ten transfers have been listed above, remaining transfers are reflected under Various Section 14 transfers.

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4. Accounts receivable

	Current period R	Previous period R
Interest on late payment of contributions	3 953 856	3 829 545
Reinsurance premiums receivable		
Accidental cover	0	21 575
Reinsurance proceeds		
Group life assurance	154 792 267	176 444 122
	<u>158 746 123</u>	<u>180 295 242</u>

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5. Contributions

	At beginning of period R	Towards retirement R	Towards reinsurance and expenses R	Contributions received R	At end of period R
Members contributions	70 538 530	1 745 387 162	0	(1 723 065 096)	92 860 596
Received and accrued	67 751 366	1 646 642 121	0	(1 624 752 750)	89 640 737
Additional voluntary contributions	2 787 164	98 745 041	0	(98 312 346)	3 219 859
Employer contributions	206 577 089	5 409 068 404	818 453 751	(6 184 226 238)	249 873 006
Received and accrued	206 577 089	5 409 068 404	818 453 751	(6 184 226 238)	249 873 006
	277 115 619	7 154 455 566	818 453 751	(7 907 291 334)	342 733 602
Reported as:					
Contributions receivable	277 115 619				342 733 602
	277 115 619				342 733 602

Movement on Statement of Changes in Net Assets and Funds

Towards retirement	7 154 455 566
Towards reinsurance and expenses	818 453 751
Contributions received and accrued	7 972 909 317

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Unapproved Reinsurance Policy

Permanent health insurance premiums

The policy for permanent health insurance is in the name of the employer. The Fund is used as a conduit to pay these premiums. The total premium for the year of R435 084 097 was netted off against the employer contributions received towards reinsurance and expenses as this does not represent an expense of the fund. An amount of R393 470 723 was paid on behalf of the employers to the insurer and therefore a creditor of R41 613 374 was raised at year end representing the amounts received from the employer but not yet paid over to the insurer at year end (refer to note 11 in the annual financial statements).

Funeral premiums

The policy for funeral insurance is in the name of the employer. The Fund is used as a conduit to pay these premiums. The total premium for the year of R25 885 970 was netted off against the employer contributions received towards reinsurance and expenses as this does not represent an expense of the fund. An amount of R23 525 610 was paid on behalf of the employer to the insurer and therefore a creditor of R2 360 360 was raised at year end representing the amounts received from the employer but not yet paid over to the insurer at year end (refer to note 11 in the annual financial statements).

Contribution holiday

A total of R58 739 342 was utilised from the Employer Surplus Account to fund a contribution holiday in respect of certain participating employers for the financial period (refer to note 7).

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6. Reserve accounts

	Current period	Previous period
	R	R
Data Reserve Account	453 386	585 534
Processing Error Reserve Account	90 149 672	77 771 680
Fund Expense Reserve Account	5 149 733	5 118 880
Cost Contingency Reserve Account	241 961	0
	<u>95 994 752</u>	<u>83 476 094</u>

Data Reserve Account

	Current period	Previous period
	R	R
Net investment income	4 703	5 703
Other income	435 066	1 914 204
Net income before funds and reserves	<u>439 769</u>	<u>1 919 907</u>
Funds and reserves		
Balance at beginning of period	585 534	438 371
Transfer between reserve account and		
Accumulated funds/member individual accounts		
Allocation from Data Reserve	(571 917)	(1 772 744)
Balance at end of period	<u>453 386</u>	<u>585 534</u>

Refer to Schedule E for the Data Reserve Account note.

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Processing Error Reserve Account

	Current period R	Previous period R
Funds and reserves		
Balance at beginning of period	77 771 680	70 027 540
Transfer between reserve account and		
Accumulated funds/member individual accounts		
Allocation to Processing error reserve	12 377 992	7 744 140
Balance at end of period	90 149 672	77 771 680

Refer to Schedule E for the Processing Error Reserve Account note.

Fund Expense Reserve Account

	Current period R	Previous period R
Contributions received and accrued	8 808 582	6 664 491
Net investment income	290 970	122 576
Net income before expenses	9 099 552	6 787 067
Less:		
Administration expenses	9 068 699	1 668 187
Net income before funds and reserves	30 853	5 118 880
Funds and reserves		
Balance at beginning of period	5 118 880	0
Balance at end of period	5 149 733	5 118 880

Contributions received and accrued

The contributions received and accrued amount of R8 808 582 is the deduction of R3.75 per member per month determined by the Board of Fund in consultation with the actuary to provide for the funding allocated to the Fund Expense Reserve Account to meet Fund expenses as approved by the Board of Fund.

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Administration expenses breakdown

The Administration expenses of R9 068 699 (2023: R1 668 187) is made up of the following:

	Current period	Previous period
	R	R
Audit fees	1 794 000	0
Bank charges	1 067	1 061
FSCA levies	5 458 083	0
Principal Officer expenses	238 373	180 832
Board of Fund and sub-committee expenses	1 577 176	826 990
Fidelity cover	0	373 022
Legal fees	0	286 282
(Legal fees was included in the Board of Fund and sub-committee expense line item in note 14 in the previous period)		
Total	9 068 699	1 668 187

Refer to Schedule E for the Fund Expense Reserve Account note.

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Cost Contingency Reserve Account

	Current period	Previous period
	R	R
Contributions received and accrued	701 288	0
Net investment income	5 622	0
Net income before expenses	<u>706 910</u>	<u>0</u>
Less:		
Administration expenses	464 949	0
Balance at end of period	<u><u>241 961</u></u>	<u><u>0</u></u>

The Cost Contingency Reserve Account was not utilised in the previous period. Refer to Schedule E for the Cost Contingency Reserve Account note.

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7. Employer surplus account

	Current period R	Previous period R
At the beginning of period	114 413 548	138 988 996
Net investment return	10 992 579	9 715 553
Transferred from employer's surplus account in another fund	86 161 158	98 449 550
Less:		
Utilised towards:		
Contributions transferred from surplus accounts	58 739 342	132 740 551
At end of period	152 827 943	114 413 548

Transferred from employer's surplus account in another fund

Employers Grindrod Shipping South Africa (Pty) Ltd and Distell Ltd had employer surplus transferred into the Fund (refer to note 3).

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8. Unclaimed benefits

	Current period	Previous period
	R	R
At the beginning of the period	135 936 140	91 022 520
Transferred from benefits payable	39 973 653	47 840 118
Net investment return	10 370 819	2 942 757
Less:		
Allocation of administration expenses	662 433	606 529
Benefits paid	38 231 598	5 262 726
At end of period	147 386 581	135 936 140

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9. Transfers to other funds

	Effective date	No. of members	At beginning of period R	Transfers approved R	Net investment return R	Assets transferred and paid R	At end of period R
Total transfers in terms of Section 14		4 769	498 392 283	1 047 991 230	13 397 371	(1 312 174 106)	247 606 778
Link2Link Umbrella Provident Fund	01/02/2020	1	163 136	0	13 047	0	176 183
10X Umbrella Provident Fund	01/06/2017	1	1 357 727	3 257 557	247 891	(3 470 066)	1 393 109
Allan Gray Umbrella Provident Fund	01/01/2020	1	125 707	0	4 707	(130 414)	0
Allan Gray Umbrella Provident Fund	01/11/2020	1	167 467	(167 467)	0	0	0
AF Access Retirement Fund (Provident Section)							
Faurecia Emissions Control Technologies Cape Town (Pty) Ltd	01/09/2021	1	76 368	(76 368)	0	0	0
Allan Gray Umbrella Provident Fund (Merchant West Specialised Finance (Pty) Ltd)	01/02/2021	6	35 836	0	804	(36 640)	0
Various Section 14 transfers	31/03/2022	1 812	123 342 227	428 340 702	2 259 537	(461 497 938)	92 444 528
Sygnia Umbrella Retirement Fund (Provident Section)	01/11/2022	22	20 865 650	0	1 956 367	(22 822 017)	0
RCL Foods Provident Fund	01/10/2020	34	2 594 287	(2 594 287)	0	0	0
Acumen Provident Fund	01/03/2021	29	5 124 756	0	257 040	(5 381 796)	0
Sygnia Umbrella Retirement Fund (Provident Section)	23/02/2023	519	6 124 498	683 990	217 643	(7 026 131)	0
The Retirement -On-Line Retirement Fund (Provident Section)	01/03/2021	1	2 254	0	19	(2 273)	0
Acumen Provident Fund	01/04/2021	1 097	312 546 656	0	4 230 776	(316 777 432)	0
Sanlam Umbrella Pension Fund	01/08/2022	85	23 508 073	0	55 589	(23 563 662)	0
DSV Flexi Retirement Fund	26/01/2023	189	2 357 641	0	25 037	(2 382 678)	0
Alexander Forbes Investments Limited	30/12/2022	69	0	142 192 971	0	0	142 192 971
AF Access Retirement Fund (Provident Section)							
Innovative Water Care SA Holding (Pty) Ltd	01/03/2023	243	0	98 884 305	718 036	(99 602 341)	0
Discovery Life Provident Umbrella Fund (Schindler Lifts SA (Pty) Ltd)	01/12/2022	160	0	73 544 011	759 007	(73 668 370)	634 648
AF Access Retirement Fund (Provident Section)							
BHBW South Africa (Pty) Ltd	01/04/2023	132	0	65 091 840	1 048 652	(66 140 492)	0
Corporate Selection Umbrella Retirement Fund (Danfoss (Pty) Ltd)	01/07/2023	53	0	29 293 177	(172 305)	(29 120 872)	0
Telkom Retirement Fund (Telkom SA (Pty) Ltd)	01/05/2022	64	0	19 418 093	(440 735)	(18 977 358)	0
AF Access Retirement Fund (Provident Section) Opti Agri (Pty) Ltd	01/11/2023	133	0	18 843 368	2 052 859	(20 896 227)	0

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

9. Transfers to other funds

	Effective date	No. of members	At beginning of period R	Transfers approved R	Net investment return R	Assets transferred and paid R	At end of period R
Discovery Life Provident Umbrella Fund (NSK South Africa (Pty) Ltd)	01/05/2023	22	0	16 351 324	163 400	(16 514 724)	0
Discovery Life Provident Umbrella Fund (Zee TV South Africa (Pty) Ltd)	01/02/2024	26	0	10 765 339	0	0	10 765 339
Alexander Forbes Retirement Fund Income Solution	31/07/2023	68	0	144 162 675	0	(144 162 675)	0
			498 392 283	1 047 991 230	13 397 371	(1 312 174 106)	247 606 778

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For the period ended 31 March 2024

Movement on Statement of Changes in Net Assets and Funds

Transfers approved	1 047 991 230
Net investment return	13 397 371
Transfers to other funds	1 061 388 601

Transfers approved

The list of approved transfers disclosed as various transfers is available for inspection at the registered office of the Fund. The negative amounts reflected under Transfers approved is due to prior year over accruals of transfer values corrected in the current year.

Investment return

Included in transfers approved is net investment return earned from date of application to date of approval. This applies to all transfers where no investment return is reflected.

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

Transfers applied for not yet approved

	Effective date	No. of members	Total R
Section 14 transfers			
AF Access Retirement Fund (Provident Section) Barloworld South Africa (Pty) Ltd	02/10/2023	1 743	1 485 216 172
RCL Foods Provident Fund	01/09/2023	769	106 437 454
Sanlam Umbrella Provident Fund (Maskew Miller Learning (Pty) Ltd)	01/12/2023	134	91 767 845
Corporate Selection Umbrella Retirement Fund No 2	01/07/2022	160	24 702 234
Lesotho Employers Umbrella Provident Fund	01/04/2023	48	23 725 543
AF Access Retirement Fund (Provident Section) Opti Agri (Pty) Ltd	01/11/2023	149	21 291 398
AF Access Retirement Fund (Provident Section) Louis Dreyfus Company Africa (Pty) Ltd	01/11/2023	22	9 884 099
Accenture Umbrella Retirement Fund	01/11/2021	12	7 832 138
AF Access Retirement Fund (Provident Section) Venatouch (Pty) Ltd	25/10/2023	21	7 578 750
FundsAtWork Umbrella Provident Fund	01/09/2023	14	6 896 899
Various Section 14 transfers	31/03/2024	414	32 039 884
		3 486	1 817 372 416

The top ten transfers have been listed above, remaining transfers are reflected under Various Section 14 transfers.

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

10. Benefits

	At beginning of period R	Benefits for current period R	Net investment return R	Payments R	Transferred to unclaimed benefits R	At end of period R
Post retirement	0	2 751 256	0	(2 751 256)	0	0
Monthly annuities	0	2 751 256	0	(2 751 256)	0	0
On retirement	101 510 285	2 293 313 121	9 186 829	(2 237 457 843)	(4 227 992)	162 324 400
Lump sums on retirement						
Full benefit	101 510 285	2 293 313 121	9 186 829	(2 237 457 843)	(4 227 992)	162 324 400
Pre-retirement	951 778 964	5 818 696 969	53 926 513	(5 933 163 934)	(35 745 661)	855 492 851
Lump sums before retirement						
Death benefits	596 095 836	590 375 885	25 314 583	(608 780 275)	(9 757 428)	593 248 601
Withdrawal benefits	316 517 657	4 138 787 549	25 162 217	(4 233 963 733)	(23 710 792)	222 792 898
Retrenchment benefits	39 165 471	1 089 533 535	3 449 713	(1 090 419 926)	(2 277 441)	39 451 352
Other	0	136 765 475	374 274	(137 139 749)	0	0
Divorce orders	0	136 765 475	374 274	(137 139 749)	0	0
	1 053 289 249	8 251 526 821	63 487 616	(8 310 512 782)	(39 973 653)	1 017 817 251

Movement on Statement of Changes in Net Assets and Funds

Benefits awarded	8 251 526 821
Net investment return	63 487 616
Benefits	8 315 014 437

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

11. Accounts payable

	Current period R	Previous period R
Administration fees	15 855 468	8 141 038
Auditor's remuneration	1 906 930	0
Board of Fund and sub-committee expenses	52 522	120 652
Principal officer expenses	0	55 667
Reinsurance premiums		
Accidental cover	13 029	0
Dread Disease	1 237 554	925 750
Group life assurance	49 460 528	47 471 506
Spouses cover	232 255	124 840
Trauma Cover	10 456	6 526
Unapproved policy premiums in respect of participating employer/s		
Funeral premiums	2 360 360	927 685
Permanent health insurance	41 613 374	33 106 727
Unclassified receipts	34 050 174	35 489 866
	146 792 650	126 370 257

Unclassified receipts

Unclassified receipts consist of various unknown deposits received. These deposits include contributions, transfers in, reinsurance proceeds and incorrect deposits into the Funds bank accounts. The administrator is investigating these deposits and will trace the payments where needed to refund the payment.

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

12. Net investment income

	Current period	Previous period
	R	R
Fair value adjustments	4 530 426 328	1 644 731 886
Insurance policies income	2 472 927 150	2 350 863 168
Interest received	105 719 157	72 113 783
Interest on late payment of contributions	458 369	614 894
Less:		
Expenses incurred in managing investments		
Investment administrators' fees	357 588 780	325 962 613
Investment advisors' fees	1 009 950	965 118
	6 750 932 274	3 741 396 000

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)
 Registration number: 12/8/34766

Notes to the Annual Financial Statements
 For the period ended 31 March 2024

13. Other income

	Current period R	Previous period R
Other income	0	3 000
Professional indemnity claim income	435 066	1 914 204
	435 066	1 917 204

Professional indemnity claim

The professional indemnity claim is in respect of administrative errors over multiple participating employers and is allocated to the data reserve.

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

14. Administration expenses

	Notes	Current period R	Previous period R
Administration fees		199 324 723	173 781 600
Administration fees on housing loans		0	2 185
Administration fees on unclaimed benefits		662 433	606 529
Audit fees		3 700 930	0
Bank charges		629 361	706 883
Board of Fund and sub-committee expenses		1 545 771	1 233 925
Consulting fees		64 502	551 132
Disability management fees		272 289	813 526
Fidelity cover		373 023	373 023
Financial Sector Conduct Authority levies		5 625 093	154 709
Legal fees		0	17 427
Liquidator's fees		72 703	62 580
Principal Officer expenses	14.1	182 706	236 500
Tracing expenses		129 522	402 647
Less:			
Amount allocated to unclaimed benefits		662 433	606 529
		211 920 623	178 336 137

Administration fees

Please note the Administration fees of R199 324 723 (2023: R173 781 600) as per note 14 is made up as follows:

	Current period R	Previous period R
Administration fees charged to participating employers	208 133 305	180 446 091
Less: Amount deducted for the Fund Expense Reserve Account	8 808 582	6 664 491
Total Administration fees paid to administrator (as per Note 14)	199 324 723	173 781 600

The R8 808 582 (2023: R6 664 491) portion of the all-inclusive administration fee (as indicated above) is allocated to the Fund Expense Reserve account for Fund expenses as set out in note 6.

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

Board of Fund and sub-committee expenses

Board of Fund and sub-committee expenses to the amount of R1 545 771 consist of R1 136 022 for Board of Fund expenses and R409 749 for sub-committee expenses.

Board of Fund and sub-committee expenses of R1 545 771 (2023: R1 233 925) as per note 14 is made up as follows:

	Current period	Previous period
	R	R
Board of Fund and sub-committee expenses charged to participating employers	3 122 947	2 060 915
Less: Amount deducted from the Fund Expense Reserve Account (as per Note 6)	1 577 176	826 990
Total Board of Fund and sub-committee expenses paid to administrator (as per Note 14)	1 545 771	1 233 925

Board of Fund and sub-committee expenses are in respect of monthly invoices for services rendered approved by the Principal Officer of the Fund.

Services rendered include:

- signing of death resolutions, special rules and section 14 transfers;
- reviewing the agenda of Board of Fund and investment meetings;
- reviewing minutes of Board of Fund and investment meetings;
- attending and preparing for Board of Fund and investment meetings;
- attending to governance updates; and
- responding to Financial Sector Conduct Authority correspondence.

Audit fees

The Audit fees of R3 700 930 (2023: Rnil) as per note 14 is made up as follows:

	Current period	Previous period
	R	R
Audit fees charged to participating employers	5 494 930	0
Less: Amount deducted from the Fund Expense Reserve Account (as per Note 6)	1 794 000	0
Total Audit fees paid to administrator (as per Note 14)	3 700 930	0

Due to timing, the audit fees are in respect of two years.

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

Bank charges

The Bank charges of R629 361 (2023: R706 883) as per note 14 is made up as follows:

	Current period	Previous period
	R	R
Bank charges charged to participating employers	630 428	707 944
Less: Amount deducted from the Fund Expense Reserve Account (as per Note 6)	1 067	1 061
Total Bank charges paid to administrator (as per Note 14)	629 361	706 883

FSCA levies

The FSCA levies of R 5 625 093 (2023: R154 709) as per note 14 is made up as follows:

	Current period	Previous period
	R	R
FSCA levies charged to participating employers	11 083 176	154 709
Less: Amount deducted from the Fund Expense Reserve Account (as per Note 6)	5 458 083	0
Total FSCA levies paid to administrator (as per Note 14)	5 625 093	154 709

Fidelity cover

The Fidelity cover of R373 023 (2023: R373 023) as per note 14 is made up as follows:

	Current period	Previous period
	R	R
Fidelity cover charged to participating employers	373 023	746 045
Less: Amount deducted from the Fund Expense Reserve Account (as per Note 6)	0	373 022
Total Fidelity cover paid to administrator (as per Note 14)	373 023	373 023

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

Legal fees

The Legal fees of Rnil (2023: R17 427) as per note 14 is made up as follows:

	Current period	Previous period
	R	R
Legal fees charged to participating employers	0	303 709
Less: Amount deducted from the Fund Expense Reserve Account (as per Note 6)	0	286 282
Total Legal fees paid to administrator (as per Note 14)	0	17 427

14.1 Principal Officer expenses

	Current period	Previous period
	R	R
Other payments	182 706	236 500
	182 706	236 500

Principal Officer expenses

The Principal Officer expenses of R182 706 (2023: R236 500) as per note 14.1 is made up as follows:

	Current period	Previous period
	R	R
Principal Officer expenses	421 079	417 332
Less: Amount deducted from the Fund Expense Reserve Account (as per Note 6)	238 373	180 832
Total Principal Officer expenses paid to administrator (as per Note 14.1)	182 706	236 500

The Principal Officer expenses are in respect of monthly invoices for services rendered approved by the Chair of the Fund.

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

15. Amounts to be allocated

	Current period	Previous period
	R	R
Member transactions to be replicated	385 349 588	0
Penalty interest in terms of Section 13A	2 568 110	2 397 500
Settlement income	115	115
	<u>387 917 813</u>	<u>2 397 615</u>

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

16. Preserved member account

	Current period	Previous period
	R	R
Opening balance	2 399 666 825	1 947 049 785
Members transferred from active status	571 770 657	762 693 338
Benefit payments made to members	(789 611 761)	(471 446 498)
Investment return	195 465 946	161 370 200
	<u>2 377 291 667</u>	<u>2 399 666 825</u>

The above balances have been included in the Member Individual Accounts (refer to Schedule E).

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

17. Living Annuities

	Current period	Previous period
	R	R
Opening balance	144 978 435	149 621 222
Benefit payments made to members	(3 766 989)	(11 867 466)
Investment return	2 951 229	7 224 679
Section 14 transfers out	(144 162 675)	0
	0	144 978 435

Section 14 transfers out

The In-fund living annuitants were transferred by Section 14 to the Alexander Forbes Retirement Fund Income Solution as set out in note 9 (refer to Schedule E, Significant matters).

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Notes to the Annual Financial Statements

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18. Deferred Retiree Account

	Current period	Previous period
	R	R
Opening balance	278 770 002	263 375 781
Members transferred from active status	589 403 881	47 881 946
Benefit payments made to members	(100 211 612)	(35 374 473)
Investment return	69 704 130	2 886 748
	837 666 401	278 770 002

The above balances have been included in the Member Individual Accounts (refer to Schedule E).

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

19. Risk management

The Board of the Fund has overall responsibility for the establishment and oversight of the Fund's risk management policies.

The Board of Fund has established the Risk Management Committee, which is responsible for developing and monitoring the Fund's risk management policies. The committee reports regularly to the Board of Fund on its activities.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund has exposure to the following risks from its use of financial instruments:

- Market risk, including currency risk, interest rate risk and price risk
- Credit risk
- Liquidity risk
- Operational risk

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: Currency risk, interest rate risk and price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in foreign exchange rates.

The Fund monitors currency risk in line with Regulation 28, the limits set out in terms of the South African Reserve Bank as well as in terms of the investment policy of the Fund.

The Fund invests indirectly in securities and other investments that are denominated in foreign currencies. Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will be subject to foreign exchange risk. The Fund's policy is to limit its exposure to foreign and African investments to 30% and 10% of net assets respectively to comply with the Pension Funds Act requirements.

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in the interest rate. Interest rate risk is limited to interest bearing financial instruments that are accounted for at amortised cost.

Interest rate risk associated with the interest linked instruments included in the linked insurance policies is managed by the investment administrator according to the investment mandate and the risk management policy of the Fund. The investment administrator reports on the steps taken to identify and manage the risk on an annual basis.

The Employer surplus account is invested in any of the investment portfolios available in terms of the Investment strategy of the Fund.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Board of Fund identifies the risk during the process of setting the investment strategy. The issues considered by the Board of Fund in setting the investment strategy are documented in the investment policy document and actioned accordingly by the appointed investment administrators. The investment administrators reports on an annual basis on how the risk was identified and managed. The investment strategy of the Fund for the investment in equities and other market price related instruments complies with the Regulation 28 limit for the investment in equities and other market price related instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation, and cause the other party to incur a financial loss. Credit risk can arise when the investments of the Fund are exposed to contractual agreements, whether reflected on or off the Statement of Net Assets and Funds. Credit risk can also arise when the Fund has the right to off-set or to settle net in respect of certain assets and liabilities but does not intend to do so.

Housing loan guarantees granted are secured by the after-tax withdrawal benefit of the respective members on whose behalf the guarantees were granted. The amount of the guarantee may not exceed 70%, 80% and percentages relevant to the specific member of the fund credit of the respective members. Housing loan guarantees granted are renewed annually to ensure that the general terms and conditions are still applicable.

The Fund's assets are only invested through compliant regulated investment administrators. The Fund's investment mandate stipulates that the investment administrator should monitor the risks associated with the Fund's investments on a monthly basis.

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ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

The Fund makes use of an investment advisor who ensures that the Fund only invests in well-researched institutions with an acceptable risk rating.

The Board of Fund has appointed an investment subcommittee to monitor if the investment administrators properly manage the credit risk, and that investment portfolios are still within the investment mandate of the Fund.

Credit risk is managed by the Fund's outsourced investment administrators by investing in well-researched institutions and within the parameters of the investment mandate. The investment administrator must report annually on the steps taken to identify and manage the credit risk, in terms of the Fund's risk management policy.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its obligations associated with financial liabilities.

According to the investment mandate, the Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash.

In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests as specified in the Rules of the Fund.

Cash flows are prepared on a variable date per participating employer for review by the management committee, where applicable. Bank reconciliations are performed on a monthly basis by the Fund's administrators. Money is invested and dis-invested as and when the need arises.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Fund's activities and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Fund ensures that for all significant contractual obligations, as provided for in terms of the Rules, provisions have been raised in the annual financial statements and complies with all legislation, regulations and contracts. The responsibility lies with the Board of Fund predominantly as well as with the Fund's service providers where agreed to.

Details of the Fund's risk management policy are available for inspection at the registered office of the Fund.

SCHEDULE HA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

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Notes to the Annual Financial Statements

For the period ended 31 March 2024

20. Related party transactions

Related party	Relationship/Description	Current Period Transactions R	Current Period Balance R	Previous Period Transactions R	Previous Period Balance R
Benefit Administrator	Benefit administration fees and consulting fees	(200 323 947)	(15 855 468)	(174 939 261)	(8 141 038)
Investment Manager	Investments and investment administrator fees	(357 588 780)	73 534 276 145	(325 962 613)	64 103 697 370
Investment Manager	Investment advisor fees	(1 009 950)	0	(965 118)	0
Participating Employer and Fund transactions	Board of Fund and sub-committee expenses	(1 545 771)	(52 522)	(1 233 925)	(120 652)

Board of Fund

Internal appointed Board Member, F Rollason, is an employee of Alexander Forbes Group Services Proprietary Limited.

The below Internal appointed Board Members are employees of Alexander Forbes Investments Limited:

- a) J Anderson
- b) K Moodley

The Valuator, G Grobler, is an employee of Alexander Forbes Financial Services Proprietary Limited.

Related Parties Description

The Benefit Administrator is Alexander Forbes Financial Services Proprietary Limited; and
The Investment Manager is Alexander Forbes Investments Limited.

SCHEDULE I**ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)**

Registration number: 12/8/34766

Report of the Independent Auditors to the Board of Fund and the Financial Sector Conduct Authority and Schedules to the Annual Financial StatementsFor the period ended 31 March 2024

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SCHEDULE I

INDEPENDENT AUDITOR'S AGREED-UPON PROCEDURES REPORT TO THE BOARD OF FUND AND THE FINANCIAL SECTOR CONDUCT AUTHORITY IN RESPECT OF THE AUDITED ANNUAL FINANCIAL STATEMENTS AND OTHER SPECIFIED INFORMATION IN THE GENERAL LEDGER AND MANAGEMENT INFORMATION COMPRISING THE ACCOUNTING RECORDS (THE "SUBJECT MATTER") OF ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION) ("THE FUND") FOR THE PERIOD ENDED 31 MARCH 2024.

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report on the Subject Matter is provided in accordance with Section 15(1) of the Pension Funds Act, No. 24 of 1956 of South Africa (the "Act"), solely for the purpose of assisting the Financial Sector Conduct Authority (the "Authority") and Board of Fund in evaluating whether there are any instances of non-compliance with the requirements of the specified sections of the Act, Regulations of the Act, 1962 and the registered Rules of the Fund during the period ended 31 March 2024, and may not be suitable for another purpose. This report is intended solely for the Board of Fund and the Authority and should not be used by, or distributed to, any other parties.

Responsibilities of the Board of Fund and the Authority

The Board of Fund and the Authority have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Board of Fund is responsible for the subject matter on which the agreed-upon procedures are performed.

Auditor's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves us performing the procedures that have been agreed with the Board of Fund and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.



National Executive: *R Redfearn Chief Executive Officer *GM Berry Chief Operating Officer JW Eshun Managing Director Businesses LN Mahluza Chief People Officer *N Sing Chief Risk Officer AP Theophanides Chief Sustainability Officer *NA le Riche Chief Growth Officer *ML Tshabalala Audit & Assurance AM Babu Consulting TA Odukoya Financial Advisory G Rammego Risk Advisory DI Kubeka Tax & Legal DP Ndlovu Chair of the Board

A full list of partners and directors is available on request

* Partner and Registered Auditor

B-BBEE rating: Level 1 contribution in terms of the DTI Generic Scorecard as per the amended Codes of Good Practice

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Professional Ethics and Quality Management

We have complied with the ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code). The IRBA Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour; and it is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

The firm applies the International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described in the table below, which were agreed upon with the Board of Fund in respect of the audited annual financial statements and other specified information in the general ledger and management information comprising the accounting records of the Fund for the period ended 31 March 2024.

Unless otherwise indicated, all balances, lists, schedules and other relevant documents referred to in the table below relate to the accounts/balances reflected in the audited annual financial statements of the Fund for the period ended 31 March 2024.

Sample size and selection criteria

Unless otherwise stated in the procedure, the sample should be selected as follows:

Sort the list by member number or other numerical identifier, if no member number is applicable, and divide the total number of items on the list by the number of items to be selected, to obtain the variable rounded off to the nearest whole number (the "nth item"). Select a sample starting from the first to the nearest nth item on the list, then select every nth item until the required sample size is reached.

	Procedures	Findings								
	Statement of Net Assets and Funds									
1.	Investments									
1.1	Obtain a list of all investments as at 31 March 2024 from the Fund administrator and agree the total investment balance per the list to the amount reflected in the Statement of Net Assets and Funds per the audited annual financial statements as at 31 March 2024 and note any differences.	<p>We obtained a list of investments as at 31 March 2024 from the Fund administrator and agreed the total investment balance per the list to the amount reflected in the Statement of Net Assets and Funds per the annual financial statements as at 31 March 2024.</p> <table border="1"> <thead> <tr> <th>Details</th> <th>Amounts</th> </tr> </thead> <tbody> <tr> <td>Total as per the list of investment balances</td> <td>R73 534 276 145</td> </tr> <tr> <td>Investments balance as per the Statement of Net Assets and Funds</td> <td>R73 534 276 145</td> </tr> <tr> <td>Difference</td> <td>R0</td> </tr> </tbody> </table>	Details	Amounts	Total as per the list of investment balances	R73 534 276 145	Investments balance as per the Statement of Net Assets and Funds	R73 534 276 145	Difference	R0
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Total as per the list of investment balances	R73 534 276 145									
Investments balance as per the Statement of Net Assets and Funds	R73 534 276 145									
Difference	R0									
1.1.1	<p>a) Obtain external confirmations of all investment balances, per the list of investments obtained in procedure 1.1, from the [investment managers / insurers / collective investments managers] as at 31 March 2024. Where the auditor is unable to obtain these external confirmations, note this fact.</p> <p>b) For external confirmations that are in a foreign currency, obtain the exchange rate(s) applied by the Fund administrator to translate the investment value to South African rands (ZAR) from the Fund administrator and recalculate the ZAR value using the exchange rate. Agree the recalculated values to the investment balances as per the list of investments obtained in procedure 1.1 and note any differences.</p> <p>c) For external confirmations, that are in ZAR agree the values of the investments per the external confirmations obtained to the investment balances as per the list of investments obtained in procedure 1.1 and note any differences.</p>	<p>a) We obtained external confirmations of all investment balances, per the list of investments obtained in procedure 1.1, from the insurer as at 31 March 2024.</p> <p>b) There were no confirmations in foreign currency.</p> <p>c) For external confirmations that are in ZAR, we agreed the values of the investments per the external confirmations obtained to the investment balances as per the list of investments obtained in procedure 1.1.</p>								
1.1.2	From the list of investments obtained in procedure 1.1, by inspection of the list or inquiry with the Fund administrator, note new investments made during the period ended 31 March 2024. Select a sample of 10 of the largest value new investments (if there are less than 10 new investments, select all) from the list	We inspected the list obtained in procedure 1.1, and inquired with the Fund administrator, and noted 5 new investments made during the period ended 31 March 2024.								

	of investments obtained in procedure 1.1, and perform the following procedures:	<p>We selected a sample of all new investments from the list of investments obtained in procedure 1.1, and performed the following procedures:</p> <p>We obtained policy between the Fund and the investment administrator(s) from the Fund administrator and inspected whether it was signed, except for the AF Core Protector and AF Protector portfolios. These portfolios are included in the Fund's ongoing investment/disinvestment strategy.</p>
1.1.2.1	Inquire from the Principal Officer the date on which the investment policy statement of the Fund was last reviewed/ approved by the Board of Fund. Note the date.	We inquired from the Principal Officer and noted that the investment policy statement of the Fund was last reviewed/ approved by the Board of Fund on 5 December 2023.
1.1.2.2	Obtain the latest approved policy statement from the Principal Officer. Inspect the investment policy statement and document the different categories of investments that are within the scope of the investment policy statement.	<p>We obtained the latest approved policy statement from the Principal Officer. We inspected the investment policy statement from the Principal Officer and the different categories of investments within the scope of the investment policy statement are as follows:</p> <ul style="list-style-type: none"> - Linked insurance policies.
1.1.2.3	Inspect the investment note 1 of the audited annual financial statements for the year ended 31 March 2024 and document the categories of investments that the Fund has invested in.	<p>We inspected the investment note 1 of the audited annual financial statements for the year ended 31 March 2024 and the categories of investments that the Fund has invested in are as follows:</p> <ul style="list-style-type: none"> - Linked insurance policies.
1.1.2.4	Compare the categories documented in procedure 1.1.2.2 with the categories documented in procedure 1.1.2.3 and note the instances where the investment categories per the audited annual financial statements do not agree to the investment policy statement.	We compared the categories documented in procedure 1.1.2.2 with the categories documented in procedure 1.1.2.3 and noted no instances where the investment categories per the audited annual financial statements do not agree with the investment policy statement.
1.2.1	Calculate the total value of direct investments held by the Fund in the participating employer as reflected in the investment note 1 of the audited annual financial statements, as a percentage of the total assets reflected in the Statement of Net Assets and Funds per the audited annual financial statements and note the calculated percentage.	Not applicable. We noted no direct investments held in participating employers disclosed in the investment note 1 of the audited annual financial statements.
1.2.2	Where the calculated percentage in procedure 1.2.1 exceeds 5%, obtain from the Fund administrator the exemption letter received by the Fund from the Authority for these investments. Note the date of the exemption letter; alternatively, note if no exemption letter could be obtained.	Not applicable. We noted no direct investments held in participating employers disclosed in the investment note 1 of the audited annual financial statements.

1.3	<p>Section 19(5B) Investments</p> <p>Inquire from the Principal Officer about the matters specified below, as they relate to the period ended 31 March 2024 and note the following:</p> <ul style="list-style-type: none"> i. Any loans or guarantees have been granted to a member of the Fund other than for the purposes of Section 19(5); and ii. Any loans have been granted to and investments were made in the shares of the following: <ul style="list-style-type: none"> a. A company controlled by an officer or a member of the fund or a director of a company which is an employer participating in the scheme or arrangement whereby the fund has been established; or b. A subsidiary (as defined in the Companies Act) of such a first-mentioned company. <p>Where loans of this nature have been granted, note the following details of the loans granted: date, amounts and name of the borrower.</p>	<p>We inquired from the Principal Officer about the matters specified below, as they relate to the period ended 31 March 2024. Based on our inquiries performed, we noted the following:</p> <ul style="list-style-type: none"> i. There were no loans or guarantees granted to a member of the Fund other than for the purposes of Section 19(5); and ii. There were no loans granted to and investments made in the shares of the following: <ul style="list-style-type: none"> a. A company controlled by an officer or a member of the fund or a director of a company which is an employer participating in the scheme or arrangement whereby the fund has been established; or <p>A subsidiary (as defined in the Companies Act) of such a first-mentioned company.</p>
1.4	<p>Section 19(5D) Investments</p> <p>Inquire from the Principal Officer about the matters specified below as they relate to the period ended 31 March 2024 and document the responses obtained:</p> <ul style="list-style-type: none"> a. The Fund, directly or indirectly, acquired or held shares or any other financial interest in another entity at period-end, which resulted in the Fund exercising control over that entity, without obtaining the prior approval from the Authority; and b. The approval referred to in paragraph (a) was given, subject to any conditions, and note these conditions. 	<p>We inquired from the Principal Officer about the matters specified below as they relate to the period ended 31 March 2024. Based on our inquiries performed, the following responses were obtained:</p> <ul style="list-style-type: none"> a. The Fund has not acquired or held any shares or financial interest in another entity which results in the exercising of control. b. Not applicable.
2.	<p>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds)</p>	
2.1	<p>Obtain a list of the member individual accounts for defined contribution members (including contributing, paid-up and deferred members) as at 31 March 2024 and as at 31 March 2022 from the Fund administrator, and perform procedure 2.3:</p>	<p>We obtained a list of the member individual accounts for defined contribution members (including contributing, paid-up and deferred members) as at 31 March 2024 and as at 31 March 2023 from the Fund administrator, and performed procedure 2.3:</p>
2.2	<p>Obtain a reconciliation of the total value of the list of member individual accounts as at 31 March 2024 obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of</p>	<p>We obtained a reconciliation of the total value of the list of member individual accounts as at 31 March 2024 obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as</p>

	<p>Net Assets and Funds as at 31 March 2024 from the Fund administrator. Note the reconciling items.</p>	<p>at 31 March 2024 from the Fund administrator. The following reconciling items were noted:</p> <table border="1" data-bbox="938 241 1433 1093"> <thead> <tr> <th>Details</th> <th>Amounts</th> </tr> </thead> <tbody> <tr> <td>Total as per the list of member individual accounts</td> <td>R72 574 947 649</td> </tr> <tr> <td>Transfers receivable not yet allocated to member records</td> <td>R576 804 214</td> </tr> <tr> <td>Contributions received but not yet allocated to member records</td> <td>R466 895 440</td> </tr> <tr> <td>Contributions receivable allocated after year end</td> <td>R373 748 925</td> </tr> <tr> <td>S14 Transfers payable (members still included active fund credits)</td> <td>(R247 606 778)</td> </tr> <tr> <td>TOTAL</td> <td>R73 744 789 450</td> </tr> <tr> <td>Member individual account as reflected on the Statement of Net Assets and Funds as at 31 March 2024.</td> <td>R73 744 789 450</td> </tr> <tr> <td>Difference</td> <td>R0</td> </tr> </tbody> </table>	Details	Amounts	Total as per the list of member individual accounts	R72 574 947 649	Transfers receivable not yet allocated to member records	R576 804 214	Contributions received but not yet allocated to member records	R466 895 440	Contributions receivable allocated after year end	R373 748 925	S14 Transfers payable (members still included active fund credits)	(R247 606 778)	TOTAL	R73 744 789 450	Member individual account as reflected on the Statement of Net Assets and Funds as at 31 March 2024.	R73 744 789 450	Difference	R0
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<p>2.3</p>	<p>Select a sample of the lesser of 50 or 10% of the number of members from the list of members at the end of the period obtained in procedure 2.1 (selected based on the selection criteria provided above) and perform the following procedures for each member selected and for each of the following three months selected, based on the sample selection criteria described below:</p> <ul style="list-style-type: none"> • June 2023 • December 2023; and • March 2024. <p>[Specify the basis of the sample selection for the 2 months, other than the last month of the period, as agreed with the Fund.]</p>	<p>We selected a sample of 50 members from the list of members at the end of the period obtained in procedure 2.1 for the following three months:</p> <ul style="list-style-type: none"> • June 2023 • December 2023; and • March 2024. <p>Selected based on the following sample selection criteria agreed with the Fund.</p> <ul style="list-style-type: none"> • We selected the sample using a systematic sampling method. <p>We performed the following procedures for each member and month selected:</p>																		
<p>2.3.1</p>	<p>Obtain a list of the member and employer contributions received and allocated for the respective months from the Fund administration system, by accessing the administration system and extracting this list, or by obtaining this list from the Fund administrator and perform procedure 2.3.3.</p>	<p>We obtained from the Fund administrator a list of the member and employer contributions received and allocated for the respective months from the Fund administration system and performed procedure 2.3.3 below.</p>																		
<p>2.3.2</p>	<p>Obtain the remittance advice supplied by the participating employers to the Fund administrator for the respective months and perform procedure 2.3.3.</p>	<p>We obtained the remittance advice supplied by the participating employers to the Fund administrator for the respective months and performed procedure 2.3.3 below.</p>																		

2.3.3	Agree the member and employer contributions per the list obtained in procedure 2.3.1 with the member and employer contributions per the documents obtained in procedure 2.3.2 and note any differences.	The member and employer contributions obtained in procedure 2.3.1 agreed with the member and employer contributions obtained in procedure 2.3.2.
2.4	Obtain the registered rules of the Fund from the Fund administrator and perform the procedure below.	We obtained the registered rules of the Fund from the Fund administrator and performed the procedure below.
2.4.1	Calculate the member and employer contribution rates for each member selected in procedure 2.3 by dividing the contribution obtained in 2.3.1 by the salary per the [remittance advice / insert other proof of the payment document inspected that indicates the allocation of the contribution per member] obtained in procedure 2.3.2. Agree the calculated member and employer contribution rates to the rate per the rules of the Fund obtained in procedure 2.4. Note any differences.	We calculated the member and employer contribution rates for each member selected in procedure 2.3 by dividing the contribution obtained in 2.3.1 by the salary per the remittance advice obtained in procedure 2.3.2. The calculated member and employer contribution rates agreed to the contribution rates per the rules of the Fund obtained in procedure 2.4.
2.5	Inquire from the Fund administrator whether the Fund is a unitised or non-unitised fund and note the type of fund.	We inquired from the Fund administrator whether the Fund is a unitised or non-unitised fund and noted that the fund is a unitised-fund.
2.5.1	If the fund is a unitised fund, as noted in procedure 2.5: For the sample of members selected in procedure 2.3, perform the following procedures:	For the members selected with unitised investment products, we performed the following procedures:
2.5.1.1	Recalculate the units allocated to the member for the specific month, as per the fund administration system, by dividing the contributions by the unit price using both inputs as per the administration system on the dates that the contributions were unitised. Agree the recalculated units to the units allocated to the member for the specific month, as per the fund administration system. Note any differences.	We recalculated the units allocated to the member for the specific month, as per the fund administration system, by dividing the contributions by the unit price using both inputs as per the administration system on the dates that the contributions were unitised. The recalculated units agreed to the units allocated to the member for the specific month, as per the fund administration system. We noted two members whose contributions had not yet been paid by the employers for June 2023, December 2023 and March 2024.
2.5.1.2	Obtain an external confirmation of the unit prices from [insert the name and specify the authority of the investment manager / actuary / other party who provides the external confirmation] throughout the period ended 31 March 2024. Note any exceptions of confirmations not obtained.	We obtained an external confirmation of the unit prices from Alexander Forbes Investments Limited throughout the period ended 31 March 2024.
2.5.1.3	Agree the unit price per the administration system in 2.5.1.1 to the unit price per the external confirmation in 2.5.1.2 and note any differences.	We agreed the unit price per the administration system in 2.5.1.1 to the unit price per the external confirmation in 2.5.1.2.
2.5.1.4	Recalculate the member's fund credit as at 31 March 2024 by multiplying the number of units with the	We recalculated the member's fund credit as at 31 March 2024 by multiplying the number of

	unit price, using both inputs as per the administration system. Agree the recalculated amount to the member's fund credit per the listing obtained in procedure 2.1 and note any differences.	units with the unit price, using both inputs as per the administration system. The recalculated amount agreed to the member's fund credit per the listing obtained in procedure 2.1.
2.5.1.5	Agree the 31 March 2024 unit price as per the administration system used in procedure 2.5.1.1 to the unit price obtained from the Alexander Forbes Investment Limited in procedure 2.5.1.2 and note any differences.	The 31 March 2024 unit price as per the administration system used in procedure 2.5.1.1 agreed to the unit price obtained from the Alexander Forbes Investment Limited in procedure 2.5.1.2.
2.5.2	If the fund is a non-unitised fund, as noted in procedure 2.5, for the sample of members selected in procedure 2.3, perform the following procedures:	Not applicable for a non-unitised Fund.
2.5.2.1	Obtain the asset manager that indicates the rate of investment returns to be allocated to members from the Fund administrator.	Not applicable for a non-unitised Fund.
2.5.2.2	Inquire from the Fund administrator about how the investment returns as per asset manager obtained in procedure 2.5.2.1 are allocated to the members of the Fund.	Not applicable for a non-unitised Fund.
2.5.2.3	Recalculate the member's closing fund credit as at 31 March 2024 by: <ul style="list-style-type: none"> • Taking the member's opening fund credit from the opening listing obtained in procedure 2.1. • Adding the contributions allocated as per the administration system; and • Adding/subtracting the returns allocated to the member as calculated using the basis provided by Fund administrator obtained in procedure 2.5.2.2. Agree the recalculated amount to the member's fund credit per the closing listing obtained in procedure 2.1 and note any differences.	Not applicable for a non-unitised Fund.
2.6	Switches Obtain a list from the Fund administrator of the members who switched investment portfolios during the period-end (including Lifestage switches). Select a sample of the lesser of 50 or 10% of the members who switched between investment portfolios during the period (selected based on the selection criteria provided above), and perform the following procedures:	We obtained a list from the Fund administrator of the members who switched investment portfolios during the period-end (including Lifestage switches), selected a sample of 50 members and performed the following procedures:
2.6.1	Obtain the client mandate between the administrator and the Fund from the Fund administrator and note the following terms: <ul style="list-style-type: none"> • Days indicated to process a member-elected switch. • Timing to effect a Lifestage switch. • Fees deductible from the member individual accounts to process a switch. 	We obtained the service level agreement / client mandate between the administrator and the Fund from the Fund administrator. We noted the following terms: <ul style="list-style-type: none"> • 5 business days to process a member-elected switch. • Lifestage switches are processed at month-end.

		<ul style="list-style-type: none"> Members are allowed to switch between the default portfolios and other portfolios with no switch fees charged.
2.6.2	<p>Member-elected switches</p> <p>For member-elected switches included in the sample selected in procedure 2.6, obtain the member's instruction to switch investment portfolios from the Fund administrator, and perform the following procedures:</p>	<p>Member-elected switches</p> <p>For member-elected switches included in the sample selected in procedure 2.6 (we selected 1 members elected switch), we obtained the member's instruction to switch investment portfolios from the Fund administrator, and performed the following procedures:</p>
2.6.2.1	<p>Inspect the member's instruction for details of the required switch and note the following details per the instruction:</p> <ul style="list-style-type: none"> Date of receipt of the member's instruction by the Fund administrator. Effective date of the switch; and Investment portfolio to be switched into. 	<p>We inspected the member's instruction for details of the required switch and noted the following details per the instruction:</p> <ul style="list-style-type: none"> Date of receipt of the member's instruction by the Fund administrator. Effective date of the switch; and Investment portfolio to be switched into.
2.6.2.2	<p>Inspect the member's fund credit transactions from the administration system obtained from the Fund administrator and note the following details about the switch:</p> <ul style="list-style-type: none"> Date when the switch was processed by the Fund administrator. Effective date of the switch; and Investment portfolios switched into. 	<p>We inspected the member's fund credit transactions on the administration system obtained from the Fund administrator, and noted the following details about the switch:</p> <ul style="list-style-type: none"> Date when the switch was processed by the Fund administrator. Effective date of the switch; and Investment portfolios switched into.
2.6.2.3	<p>Agree the effective date of the switch and the investment portfolios switched into, as noted in procedure 2.6.2.1, to the effective date of the switch and the investment portfolios switched into and noted in procedure 2.6.2.2 and note any exceptions with regard to the date of switch and/or the portfolios switched.</p>	<p>The effective date of the switch noted in procedure 2.6.2.1 were different to the effective date of the switch noted in procedure 2.6.2.2. The effective date on the administration system ranged between 1 to 5 days of the date per the switch form.</p> <p>The investment portfolios switched into and noted in procedure 2.6.2.1 agreed to the investment portfolios switched into and noted in procedure 2.6.2.2.</p>
2.6.2.4	<p>Calculate the number of days taken to process the switch, using the following:</p> <ul style="list-style-type: none"> Date of receipt of the member's instruction by the Fund administrator noted in procedure 2.6.2.1. Date when the switch was processed by the Fund administrator noted in procedure 2.6.2.2. 	<p>We calculated the number of days taken to process the switch, using the following:</p> <ul style="list-style-type: none"> Date of receipt of the member's instruction by the Fund administrator noted in procedure 2.6.2.1. Date when the switch was processed by the Fund administrator noted in procedure 2.6.2.2.
2.6.2.5	<p>Agree the number of days taken to process the switch, per 2.6.2.4, with the number of days per the terms per the client mandate between the administrator and the Fund in 2.6.1.</p> <p>Note any difference in timing where the number of days taken to process the switch is greater than the</p>	<p>We agreed the number of days taken to process the switch, per 2.6.2.4, with the number of days per the terms per the client mandate between the administrator and the Fund in 2.6.1.</p>

	terms per the client mandate between the administrator and the Fund.	No instances were noted where the number of days taken to process the switch was greater than the terms per the client mandate between the administrator and the Fund.
2.6.3	Lifestage switches Obtain the Fund’s Lifestage investment strategy from the Fund administrator.	Lifestage switches We obtained the Fund’s Lifestage investment strategy from the Fund administrator.
2.6.3.1	For Lifestage switches included in the sample selected in procedure 2.6, perform the following procedures:	For 49 Lifestage switches included in the sample, we performed the following procedures:
2.6.3.2	Inspect the member’s fund credit transactions on the administration system obtained from the Fund administrator and note the following details about the Lifestage switch: <ul style="list-style-type: none"> • Date when the Lifestage switch was processed by the Fund administrator; and • Investment portfolios switched into. 	We inspected the member’s fund credit transactions on the administration system obtained from the Fund administrator and noted the following details about the Lifestage switch: <ul style="list-style-type: none"> • Date when the Lifestage switch was processed by the Fund administrator; and • Investment portfolios switched into.
2.6.3.3	Agree the investment portfolios switched into and noted in procedure 2.6.3.2 to the Fund’s Lifestage investment strategy obtained in procedure 2.6.3.	The investment portfolios switched into and noted in procedure 2.6.3.2 agreed to the Fund’s Lifestage investment strategy obtained in procedure 2.6.3.
2.6.3.4	Agree the timing of the Lifestage switch per 2.6.3.2 with the terms per the [service level agreement / client mandate between the administrator and the Fund] in 2.6.1. Note any difference in timing.	The timing of the Lifestage switch per 2.6.3.2 agreed with the terms per the client mandate between the administrator and the Fund in 2.6.1.
2.6.4	For all switches selected in procedure 2.6, inspect the member’s record on the administration system for fees deducted for switches, and agree the fees deducted to the fee due in terms of the client mandate (obtained in procedure 2.6.1). Note any differences.	Not applicable. For all the switches selected in procedure 2.6, we inspected the member’s record on the administration system and no switch fees were deducted.
2.7	Obtain the Asset Liability Match (“ALM”) reconciliation per investment portfolio / product / category as at 31 March 2024, from the Fund administrator and perform the following procedures:	We obtained the ALM reconciliation per investment portfolio as at 31 March 2024 from the Fund administrator and performed the following procedures:
2.7.1	Obtain a reconciliation of the total investment balance per investment portfolio / product / category, as reflected on the ALM reconciliation, to the total balance per the list of investments obtained in procedure 1.1 from the Fund administrator. Note any reconciling items.	We obtained a reconciliation of the total investment balance per investment as reflected on the ALM reconciliation, to the total balance per the list of investments obtained in procedure 1.1 from the Fund administrator. There were no reconciling items noted.
2.7.2	Obtain a reconciliation of the total member individual accounts value per investment portfolio / product / category, as reflected on the ALM reconciliation, to the total member individual	We obtained a reconciliation of the total member individual accounts value per investment portfolio, as reflected on the ALM reconciliation, to the total member individual accounts value as per the listing obtained in

	accounts value as per the listing obtained in procedure 2.1. from the Fund administrator. Note any reconciling items.	procedure 2.1 from the Fund administrator. The reconciling items are noted in 2.1. above.
2.7.3	Inspect the total difference between assets and liabilities reflected on the ALM and note whether the variance is larger than 2% of total assets of the Fund per the Statement of Net Assets and Funds.	We inspected the total difference between assets and liabilities reflected on the ALM and noted that the variance of 0.21% is not larger than 2% of total assets of the Fund per the Statement of Net Assets and Funds.
3	Accumulated funds (for defined benefit funds as well as defined benefit sections of hybrid funds)	
3.1	Obtain a list of defined benefit members as at 31 March 2024 from the Fund administrator and perform the following procedures:	Not applicable to a defined contribution fund.
3.2	Select a sample of the lesser of 50 or 10% of the number of defined benefit members at 31 March 2024 from the list of members provided by the Fund administrator (selected based on the selection criteria provided above). Perform the following procedures for each member, for each of the following three months: <ul style="list-style-type: none"> • July 2022 • December 2022; and • March 2023 [Specify the basis of the sample selection for the 2 months, other than the last month of the period, as agreed with the Fund].	Not applicable to a defined contribution fund.
3.2.1	Obtain a list of the member contributions received and allocated for the respective months on the administration system from the Fund administrator.	Not applicable to a defined contribution fund.
3.2.2	Obtain the remittance advice supplied by the participating employers to the Fund administrator for the respective months.	Not applicable to a defined contribution fund.
3.2.3	Agree the member contributions received and allocated as obtained in 3.2.1 with 3.2.2 and note any differences.	Not applicable to a defined contribution fund.
3.2.4	Calculate the member contribution rates for each member selected by dividing the contribution by the salary per the remittance advice obtained in procedure 3.2.2. Agree the calculated member contribution rate(s) to the rate(s) noted in rule [insert the rule number of the registered rules of the Fund] obtained in procedure 2.4 and note any differences.	Not applicable to a defined contribution fund.
3.3	Inquire from the Fund administrator when the actuarial valuation of the Fund was last performed and approved by the Board of Fund. Note the date of the last valuation and when it was approved by the Board of Fund.	Not applicable to a defined contribution fund.

3.4	Obtain the actuarial valuation report of the Fund from the Fund administrator and inspect the actuarial valuation report for the employer contribution rate recommended by the valuator. Note the employer contribution rate recommended by the actuary in the report.	Not applicable to a defined contribution fund.
3.5	Calculate the employer contribution rates for each member selected by dividing the contribution obtained in 3.2.2 by the salary per the [remittance advice / insert other proof of the payment document inspected that indicates the allocation of the contribution per member / other relevant document inspected] obtained in procedure 3.2.2. Agree the calculated employer contribution rates to the rate per actuarial valuation report obtained in procedure 3.4. Note any differences.	Not applicable to a defined contribution fund.
4	Surplus apportionment in terms of Sections 15B and 15C (this will include reserve account distributions)	
4.1	Inspect the latest actuarial valuation report obtained in procedure 3.4 for (a) Section(s) 15B [and 15C] surplus apportionment. If applicable, note the surplus apportionment amount/value.	Not applicable. We noted no Section(s) 15B and 15C surplus apportionment in the actuarial valuation report obtained in procedure 3.4.
4.1.1	If a surplus apportionment was recommended per the actuarial valuation report in procedure 4.1 , obtain the minutes of meetings of the Board of Fund from Fund administrator and inspect for the approval of the Section 15B [and 15C] surplus.	Not applicable. No Section 15B surplus apportionment was recommended by the actuary per the actuarial valuation report in procedure 4.1.
4.1.2	If a Section 15B surplus apportionment was recommended per the actuarial valuation report in procedure 4.1, obtain the approval of the Authority for the Section 15B surplus from the Fund administrator.	Not applicable. No Section 15B surplus apportionment was recommended by the actuary per the actuarial valuation report in procedure 4.1.
4.2	Surplus apportionment allocation Obtain a list of the approved surplus allocations to active and/or former members and/or pensioners in the current period noted in procedure 4.1, from the Fund administrator, and perform the following procedures:	Not applicable. No surplus allocations to active and/ or former members and/or pensioners in the current period were noted in procedure 4.1.
4.2.1	Active members: Select a sample of the lesser of 50 or 10% of the number of active members to whom surplus has been allocated in the current period per the approved surplus apportionment listing obtained in procedure 4.2 (selected based on the selection criteria provided above) and perform the following procedures:	Active members: Not applicable. No surplus allocations to active members in the current period were noted in procedure 4.2.

4.2.1.1	Inspect the listing for the date of allocations to active members in the current period and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.	Not applicable. No surplus allocations to active members in the current period were noted in procedure 4.2.
4.2.1.2	Agree the surplus amount allocated as per the listing (including investment return) in the current period per member to the allocation on the member records per the administration system and note any differences.	Not applicable. No surplus allocations to active members in the current period were noted in procedure 4.2.
4.2.2	Former members and pensioners allocations: Select a sample of the lesser of 50 or 10% of the number of former members and/or pensioners to whom surplus has been allocated in the current period per the approved surplus apportionment listing obtained in procedure 4.2 (selected based on the selection criteria provided above) and perform the following procedures:	Not applicable. No surplus allocations to former members and/ or pensioners in the current period were noted in procedure 4.2.
4.2.2.1	Inspect the listing for the date of allocations to former members and pensioners in the current period and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.	Not applicable. No surplus allocations to former members and/ or pensioners in the current period were noted in procedure 4.2.
4.2.2.2	Agree the surplus amount allocated (including the investment return) in the current period per former member and/or pensioner to the allocation on the member records per the administration system and note any differences.	Not applicable. No surplus allocations to former members and/ or pensioners in the current period were noted in procedure 4.2.
4.2.3	In respect of Section 15B surplus apportionments noted in procedure 4.1, inquire from the Fund administrator and/or inspect whether the Fund has maintained the Section 15B surplus apportionment for former members who could not be traced in a contingency reserve account and note the response.	Not applicable. No surplus allocations to former members and/ or pensioners in the current period were noted in procedure 4.2.
4.3	Surplus apportionment payments: Obtain a list of all surplus apportionment payments made to members during the period from the Fund administrator and select a sample of the lesser of 50 or 10% of the number of payments (selected based on the selection criteria provided above) and perform the following procedures:	Not applicable. No surplus apportionment payments were made to members during the reporting period.
4.3.1	Agree the amount paid to the member as per the list of surplus apportionment payments obtained in procedure 4.3 to the member's record on the administration system and note any differences.	Not applicable. No surplus apportionment payments were made to members during the reporting period.

4.3.2	Obtain the [insert the name of the document(s) that indicates authorisation of the payment] from the Fund administrator and agree the amount authorised to the amount paid as per the list of surplus apportionment payments obtained in procedure 4.3. Note any differences.	Not applicable. No surplus apportionment payments were made to members during the reporting period.
5	Member and employer surplus accounts	
5.1	Obtain the analysis of the transactions in the member and/or employer surplus account (including debit and credit transactions) for the period as disclosed in the member and employer surplus note 7 to the audited annual financial statements from the Fund administrator, and perform the following procedures:	We obtained the analysis of the transactions in the employer surplus account (including debit and credit transactions) for the period as disclosed in the member and employer surplus note 7 to the audited annual financial statements from the Fund administrator, and performed the following procedures: The Fund did not utilise the member surplus account during the reporting period.
5.1.1	Inspect the registered rules of the Fund as obtained in procedure 2.4 and note the debit and credit transactions allowed in the member and employer surplus accounts listed in rule 4.5.	We inspected the registered rules of the Fund as obtained in procedure 2.4 and noted the different debit and credit transactions allowed in the member and employer surplus accounts listed in rule 4.5.
5.1.2	Compare the description of all of the debit and credit transactions allocated to the member and/or employer surplus accounts per the analysis obtained in procedure 5.1 to the categories of transactions that are permitted to be allocated to surplus accounts as noted in procedure 5.1.1. Note any exceptions.	We compared the description of all of the debit and credit transactions allocated to the employer surplus accounts per the analysis obtained in procedure 5.1 to the categories of transactions that are permitted to be allocated to surplus accounts as noted in procedure 5.1.1 above and found no exceptions.
6	Reserves	
6.1	Obtain a list of reserves and other related accounts (e.g., pensioner accounts) and the movements (including debit and credit transactions) per the reserves note 6 to the audited annual financial statements from the Fund administrator, and perform the following procedures:	We obtained a list of reserves and other related accounts and the movements (including debit and credit transactions) per the reserves note 6 to the audited annual financial statements from the Fund administrator, and performed the following procedures:
6.1.1	Inspect the registered rules of the Fund obtained in procedure 2.4 and note the reserve and other related accounts (e.g. pensioner accounts) and the debit and credit transactions allowed in the reserves and other related accounts (e.g. pensioner accounts) listed in rules 4.4; 4.8 and 4.13.	We inspected the registered rules of the Fund obtained in procedure 2.4 and noted reserve and other related accounts and the debit and credit transactions allowed in the reserve and other related accounts listed in rules 4.4; 4.8 and 4.13.
6.1.2	Compare the description of the reserve and other related accounts (e.g. pensioner accounts) held by the Fund, as reflected in the listing obtained in 6.1 above, to the categories of reserves and other related accounts that are permitted as noted in procedure 6.1.1. Note any exceptions.	We compared the description of the reserve and other related accounts held by the Fund, as reflected in the listing obtained in 6.1 above, to the categories of reserve and other related accounts permitted as noted in procedure 6.1.1 and found no exceptions.

6.1.3	Compare the description of all the debit and credit transactions allocated to the reserve and other related accounts, as reflected in the listing obtained in procedure 6.1 above, to the categories of transactions that are permitted to be allocated to the reserves and other related accounts as noted in procedure 6.1.1. Note any exceptions.	We compared the description of all the debit and credit transactions allocated to the reserve and other related accounts, as reflected in the listing obtained in 6.1 above, to the categories of transactions that are permitted to be allocated to reserves and other related accounts as noted in procedure 6.1.1 and found no exceptions.
7	Other assets, liabilities and guarantees	
7.1	Housing loans Obtain a list of housing loans (comprising both new and previously issued loans) granted to members by the Fund in terms of Section 19(5) of the Act as at 31 March 2024 from the Fund administrator, and perform the following procedure:	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.1.1	Agree the total value of housing loans on the above list to the corresponding amount disclosed in the housing loans note to the audited annual financial statements. Note any differences.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2	From the list in 7.1, select a sample of the lesser of 50 or 10% of the number of members' housing loans (sample to include a combination of new and previously issued loans and selected based on the selection criteria provided above), and perform the following procedures:	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.1	For new housing loans issued, perform the following procedures:	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.1.1	Obtain the home loan agreement from the Fund administrator and inspect the agreement for the loan amount and date of granting of the loan.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.1.2	Agree the home loan amount from the list in 7.1 to the actual loan amount from 7.2.1.1. Note any differences.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.1.3	Inspect the home loan agreement and/or the registered rules as obtained in procedure 2.4 for the maximum allowable percentage of member individual accounts as allowed in terms of rule and/or the home loan agreement and note the percentage.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.1.4	Obtain the member individual account balance at the date of granting the loan from the Fund administrator. Divide the loan amount granted as noted in 7.2.1.1 with the member individual account balance at the date of granting the loan as noted in 7.2.1.1 and note where the percentage calculated exceeds the maximum allowable percentage noted in 7.2.1.3. Note any differences.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.

7.2.2	For all loans selected in 7.2, inspect the member's home loan movement report from the administration system obtained from the Fund administrator for the interest rate(s) used and agree the rate(s) used to the prescribed rate(s) issued by the Authority on the Authority's website, and note any differences.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.3	Obtain the National Credit Act (NCA) registration certificate from the Fund administrator and/or inspect the NCA website for the Fund's name and registration number as evidence that the Fund is registered as a credit provider under the National Credit Act, 2005 ("the NCA").	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.3	<p>Housing loan guarantees</p> <p>Obtain the loan agreement between the Fund and the financial institution from the Fund administrator. Inspect the loan agreement and/or the registered rules as obtained in procedure 2.4 for the maximum allowable percentage of member individual accounts as allowed in terms of rule 13.3 of the registered rules and/ or the loan agreement and note the percentage.</p>	<p>We obtained the loan agreement between the Fund and the financial institution from the Fund administrator. We inspected the loan agreement and/or the registered rules as obtained in procedure 2.4 for the maximum allowable percentage of member individual accounts as allowed in terms of rule 13.3 and noted that the rules stated that the guarantees will be subject to the provisions of the Act. The Act provides for a maximum of 90% of the member's benefit net of tax.</p> <p>In terms of the agreements between the Fund and the providers the following maximum nett withdrawal benefit apply:</p> <ul style="list-style-type: none"> • 80% for ABSA Bank and First National Bank, • 70% for Standard Bank of South Africa.
7.3.1	<p>Defined contribution funds</p> <p>Obtain a list of all housing loan guarantee balances granted to members from the loan provider as at 31 March 2024 from the Fund administrator, and select a sample of the lesser of 50 or 10% of the number of housing loan guarantees (selected based on the selection criteria provided above), and perform the following procedures:</p>	We obtained the list of housing loan guarantee balances granted to members from the loan provider as at 31 March 2024 from the Fund administrator, selected a sample of 34 of the housing loan guarantees, and performed the following procedures:
7.3.2	Inspect the member's record on the administration system for a flagging of the housing loan guarantee being recorded against the member's name.	We inspected the member's record on the administration system and noted that the member's record was flagged as having a housing loan guarantee.
7.3.3	Divide the loan amount granted, as noted on the listing in 7.3.1 above, with the member's individual account balance as per the listing in 2.1 and note where the percentage calculated exceeds the maximum allowable percentage noted in 7.3. Note any differences.	We divided the loan amount granted, as noted on the listing in 7.3.1 above, with the member's individual account balance as per the listing in 2.1. No instances were noted where the percentage calculated exceeded the maximum allowable percentage noted in 7.3. We however, noted 1 member whose housing loans exposure % exceeded the maximum limit

		of 80% based on the Fund credits in this Fund. This member also participates in the Alexander Forbes Retirement Fund (Pension Section). Having taken into account their Fund credits in the Alexander Forbes Retirement Fund (Pension Section) their outstanding loan % exposure falls within the maximum limit of 80%.
7.4	Defined benefit funds Obtain a list of housing loan guarantees granted to defined benefit fund members from the loan provider as at 31 March 2024 from the Fund administrator, and select a sample of the lesser of 50 or 10% of the number of new housing loan guarantees issued in the current period (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable to a defined contribution fund.
7.4.1	Inspect the member's record on the administration system for a flagging of the housing loan guarantee being recorded against the member's name.	Not applicable to a defined contribution fund.
7.4.2	Obtain the withdrawal benefit calculated by the Fund administrator as at the date of issuing of the guarantee, and perform the following procedure:	Not applicable to a defined contribution fund.
7.4.3	Recalculate the percentage by dividing the loan amount granted, as noted on the listing in procedure 7.4, with the amount noted on the withdrawal benefit noted in procedure 7.4.2 and note where the percentage calculated exceeds the maximum allowable percentage noted in procedure 7.3. Note any exceptions.	Not applicable to a defined contribution fund.
	Statement of Changes in Net Assets and Funds	
8	Contributions	
8.1	Obtain a list of the number of pay points, from the Fund administrator, that reconciles to the contributions note 5 of the audited annual financial statements and select a sample of the lesser of 50 or 10% of the number of pay points (selected based on the selection criteria provided above), and for each pay point perform the following procedures for each of the three months selected under procedure 2.3 and/or 3.2:	We obtained a list of the number of pay points from the Fund administrator that reconciled to the contributions note 5 of the audited annual financial statements and selected a sample of 50 pay points and performed the following procedures for the three months selected under procedure 2.3.
8.2	Agree the total amount of the list above to the general ledger account number 4000/5, 4000/10; 4000/15 and 4000/20 and note any differences.	The total amount of the list above agreed to the general ledger account numbers 4000/5, 4000/10; 4000/15 and 4000/20.
8.3	For the pay points selected in procedure 8.1 above, obtain the bank statements from the Fund administrator and inspect the bank statements for a description/identification of the bank where the	For the pay points selected in procedure 8.1 above, we obtained the bank statements from the Fund administrator and inspected the bank statements for a description/ identification of the bank where the contributions were

	contributions were deposited, and perform the following procedures:	deposited, and performed the following procedures:									
8.3.1	Agree the total contribution amount per the documentation received in procedure 2.3.2 and/or 3.2.2 to the total amount reflected on the bank statement obtained in procedure 8.3, and note any differences.	<p>We agreed the total contribution amount per the documentation received in procedure 2.3.2 and/ or 3.2.2 to the total amount reflected on the bank statement obtained in procedure 8.3 and noted the following differences:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>No. of paypoints</th> <th>Total difference noted</th> </tr> </thead> <tbody> <tr> <td>Jun 2023</td> <td>2</td> <td>R4 773</td> </tr> <tr> <td>Mar 2024</td> <td>1</td> <td>R393</td> </tr> </tbody> </table> <p>Refer to Annexure A for details of the total differences noted.</p>	Month	No. of paypoints	Total difference noted	Jun 2023	2	R4 773	Mar 2024	1	R393
Month	No. of paypoints	Total difference noted									
Jun 2023	2	R4 773									
Mar 2024	1	R393									
8.3.2	Inspect the date of receipt of the contributions as per the bank statements obtained in procedure 8.3 and note the dates and number of contributions received after seven days of the following month. Note any exceptions.	<p>We inspected the date of receipt of the contributions as per the bank statements obtained in procedure 8.3. The following instances were noted where contributions were received after 7 days.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>No. of paypoints</th> </tr> </thead> <tbody> <tr> <td>Jun 2023</td> <td>1</td> </tr> <tr> <td>Dec 2023</td> <td>2</td> </tr> <tr> <td>Mar 2024</td> <td>1</td> </tr> </tbody> </table> <p>Refer to Annexure B for details of contributions received after 7 days of month end.</p>	Month	No. of paypoints	Jun 2023	1	Dec 2023	2	Mar 2024	1	
Month	No. of paypoints										
Jun 2023	1										
Dec 2023	2										
Mar 2024	1										
8.3.3	For the exceptions noted in 8.3.2 above (receipts after seven days), inquire from the Fund administrator whether Late Payment interest has been raised in terms of Regulation 33 of the Act.	For the exceptions noted in 8.3.2 above, we inquired from the Fund administrator and noted that Late Payment interest was raised in terms of Regulation 33 of the Act. We noted 6 exceptions listed on Annexure B.									
9.	Benefits										
9.1	Obtain a list from the administration system of lump sum benefits per exit type reflected as expenses in the Fund's Statement of Changes in Net Assets and Funds for 31 March 2024 from the Fund administrator, and perform the following procedure:	We obtained a list from the administration system of lump sum benefits per exit type reflected as expenses in the Fund's Statement of Changes in Net Assets and Funds for 31 March 2024 from the Fund administrator, and performed the following procedure:									
9.1.1	Agree the list of lump sum benefits per exit type to the respective general ledger benefit expense accounts reconciliation prepared by the Fund administrator. Note any differences.	The list of lump sum benefits per exit type agreed to the respective general ledger benefit expense accounts reconciliation prepared by the Fund administrator.									
9.2	Select a sample of the lesser of 50 or 10% of the total number of lump sum benefits (as per the selection criteria noted above) pro-rated on the number of exits per exit type from the list. Obtain the member	<p>The following number of samples was selected per exit type, pro-rated on the number of exits:</p> <ul style="list-style-type: none"> - We selected a total of 50 exits. 									

	statements from the administration system and perform the following procedures on the sample selected:	We obtained the member statements from the administration system and performed the following procedures on the sample selected:
9.2.1	<p>For each selected benefit, compare the following fields:</p> <ul style="list-style-type: none"> ● gross benefit amount; ● tax amount; ● net benefit amount; ● exit date; and ● type of benefit <p>to the administration system and the [insert the authorised supporting documentation, such as the signed member exit form and SARS Tax Directives] determined by the procedures of the Fund. Note any differences.</p> <p>Exit date:</p> <p>i. Agree the exit date per the member’s withdrawal form obtained from the Fund administrator to the exit date reflected on the administration system. Note any differences.</p> <p>Tax amount:</p> <p>i. Agree the tax amount related to the benefit per the Tax directive obtained from the Fund administrator</p> <p>ii. to the tax amount deducted as reflected on the administration system. Note any differences.</p>	<p>We compared each benefit selected to the administration system and the exit notification forms, authorised claim calculations and SARS Tax Directives inspected in accordance with the procedures of the Fund for the following fields:</p> <ul style="list-style-type: none"> ● the gross benefit amount; ● tax amount; ● net benefit amount; ● exit date; and ● type of benefit. <p>Exit date:</p> <p>i. The exit date as reflected on the member’s withdrawal form obtained from the Fund administrator did not agree to the exit date reflected on the administration system due to the administration system reflecting the effective date of receiving and processing the claim. The claim is processed upon receipt of claim form rather than exit date captured on the claim form.</p> <p>Tax amount:</p> <p>The tax amount related to the benefit per the tax directive obtained from the Fund administrator and agreed to the tax amount deducted as reflected on the administration system.</p>
9.2.2	<ul style="list-style-type: none"> ● For death benefits, and where applicable, disability benefits, where a portion of the benefit had been reinsured by the Fund (reinsurance proceeds): <ul style="list-style-type: none"> ○ Note the portion of the benefit that had been reinsured as reflected on the administration system. ○ Obtain a copy of the confirmation letter from the insurer which reflects the amount of the benefit from the Fund administrator. ○ Recalculate the reinsurance proceed amount by multiplying the member’s latest salary with the factor both that can be obtained from the member’s record on the administration system and compare the recalculated amount with 	<ul style="list-style-type: none"> ● We obtained a copy of the confirmation letter from the insurer which reflects the amount of the benefit from the Fund administrator. ● We recalculated the reinsurance proceed amount by multiplying the member’s latest salary with the factor obtained from the member’s record on the administration system and compared the recalculated amount with the amount on the confirmation letter. ● We obtained a listing of reinsurance proceeds, reflecting all proceeds received per death benefit for the period, from the Fund administrator and agreed the amount per the confirmation letter obtained above to the listing.

	<p>the amount on the confirmation letter, and note any differences.</p> <ul style="list-style-type: none"> o Obtain a listing of reinsurance proceeds, reflecting all proceeds received per death benefit for the period, from the Fund administrator and agree the amount per the confirmation letter obtained above to the listing, and note any exceptions. 	
9.2.3	<p>For a defined benefit fund and hybrid funds with a defined benefit underpin:</p> <p>Obtain the gross benefit as calculated by the Fund Actuary from the Fund administrator. Agree the gross benefit amount from 9.2.1 to the gross benefit from the calculation obtained.</p> <p>Note any differences.</p> <p>For a defined contribution fund:</p> <p>For members who were active during the period ended, perform the following procedures:</p> <ul style="list-style-type: none"> i. Obtain the opening fund credit amount as at the beginning of the period from the member record on the administration system. ii. Inspect the member record on the administration system to confirm that monthly contributions were added, for the period up to the date of exit as per 9.2.1. Note any exceptions. iii. Obtain the bank statements reflecting the benefit payment(s) from the Fund administrator and agree the net benefit amount(s) as per procedure 9.2.1 to the bank statements , and note any differences. iv. Inquire with the Fund administrator about the nature of any differences noted in iii and detail the responses provided (e.g. interest, where applicable). <p>For members who were paid up and/ or deferred:</p> <ul style="list-style-type: none"> i. Obtain the opening fund credit amount as at the beginning of the period from the member record on the administration system. ii. Inspect the member record on the administration system to confirm that interest was added, for the period up to the date of exit as per 9.2.1. Note any exceptions. iii. Obtain the bank statements reflecting the benefit payment(s) from the Fund administrator and agree the net benefit amount as per procedure 9.2.1 to the bank statements , and note any differences. 	<p>For a defined benefit fund and hybrid funds with a defined benefit underpin:</p> <p>Not applicable to a defined contribution Fund.</p> <p>For a defined contribution fund:</p> <p>For members who were active, we performed the following procedures:</p> <ul style="list-style-type: none"> i. We obtained the opening fund credit amount as at the beginning of the period from the member record on the administration system. ii. We inspected the member records on the administration system and noted that monthly contributions up to the date of exit as per 9.2.1 were added to the member record. iii. We obtained the bank statements reflecting the benefit payments from the Fund administrator. The net benefit amounts as per procedure 9.2.1 agreed to the bank statements. iv. There were no differences noted in iii. <p>For members who were paid up and/ or deferred:</p> <ul style="list-style-type: none"> i. We obtained the opening fund credit amount as at the beginning of the period from the member record on the administration system. ii. We noted that interest for the period up to the date of exit as per 9.2.1 were added to the member record as per the administration. iii. We obtained the bank statements reflecting the benefit payment(s) from the Fund administrator. The net benefit

	iv. Inquire with the Fund administrator about the nature of any differences noted in iii and detail the responses provided (e.g. interest, where applicable).	amount(s) as per procedure 9.2.1 agreed to the bank statements iv. There were no differences noted in iii above.
9.2.4	In cases where a fund has a member surplus account (defined benefit and defined contribution) or investment reserve account (defined contribution) and the member was due a surplus amount as per the surplus account listing noted in 4.2, inspect the member's fund credit transactions on the administration system obtained from the Fund administrator to note that the member record was updated with the surplus amount.	Not applicable. The Fund does not have a member surplus account. There were no former member surplus payments approved and/or made during the reporting period.
9.3	Obtain a list of current and unclaimed benefits payable as disclosed in the Statement of Net Assets and Funds as at 31 March 2024 from the Fund administrator, and select a sample of the lesser of 50 or 10% of the total number of benefits from the list (selected based on the selection criteria provided above), and perform the following procedure:	We obtained a list of the current and unclaimed benefits payable as disclosed in the Statement of Net Assets and Funds as at 31 March 2024 from the Fund administrator, selected a sample of 50 of the total number of benefits from the list, and performed the following procedure:
9.3.1	For the sample selected above, (excluding death benefits), calculate the number of months that benefit has been unpaid, using the date of exit as the starting month. If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit. If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable. Note any exceptions, if incorrectly classified.	For the sample of 44 items selected, we calculated the number of months that the benefit has been unpaid, using the date of exit as the starting month and noted the following: We noted that 1 item was classified as benefits payable when it had been outstanding for a period longer than 24 months.
9.3.2	For the sample selected above relating to death benefits, calculate the number of months that benefit has been unpaid using the date of the approved death benefit distribution per the Board of Fund approval, obtained from the Fund administrator. If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit. If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable. Note any exceptions if incorrectly classified.	For the sample of 6 items selected relating to death benefits, we calculated the number of months that benefit has been unpaid using the date of the approved death benefit distribution per the Board of Fund approval, obtained from the Fund administrator and noted the following: We noted 4 items that was classified as a benefit payable when it had been outstanding for a period longer than 24 months.
9.4	Unclaimed benefit payments Obtain a list of unclaimed benefits paid during the period from the Fund administrator, and perform the following procedures:	Unclaimed benefit payments We obtained a list of unclaimed benefits paid during the period from the Fund administrator, and performed the following procedures:

9.4.1	Agree the total of the list of payments to the respective general ledger unclaimed benefit accounts reconciliation prepared by the Fund administrator.	The total of the list of payments agreed to the respective general ledger unclaimed benefits accounts reconciliation prepared by the Fund administrator.
9.4.2	Select a sample of the lesser of 50 payments or 10% of the total number of unclaimed benefits paid from the list (selected based on the selection criteria provided above), and perform the following procedures:	We selected a sample of 50 of the total number of unclaimed benefits paid from the list, and performed the following procedures:
9.4.2.1	For each selected unclaimed benefit paid, compare the following fields as reflected on the administrator's listing: <ul style="list-style-type: none"> • Gross benefit amount; • Tax amount; and • Late payment interest (if applicable) to the administration system and the [insert the authorised supporting documentation, such as the signed member exit form and SARS Tax Directives].	We compared the unclaimed benefit paid, selected from the administration system to the authorised claim form and claim calculation for the following fields: <ul style="list-style-type: none"> • The gross benefit amount; • tax amount; and • Late payment interest.
10	Transfers	
10.1	Obtain separate lists of Section 14 transfers to and from the Fund throughout the period from the Fund administrator and agree the totals of the lists to the amounts reflected in the "Transfers into the Fund" note 3 and "Transfers from the Fund" notes 9 to the audited annual financial statements. Note any differences.	We obtained separate lists of Section 14 transfers to and from the Fund from the Fund administrator and noted that the totals of the lists agreed to the amounts reflected in the "Transfers into the Fund" and "Transfers from the Fund" notes 3 and 9 to the audited annual financial statements.
10.2	From the list of Section 14 transfers to and from the Fund throughout the period, select a sample of the lesser of 50 or 10% of the number of transfers in and the lesser of 50 or 10% of the number of transfers out (selected based on the selection criteria provided above), and perform the following procedures:	From the list of Section 14 transfers to and from the Fund throughout the year, we selected a sample of 31 of the number of transfers in and 11 of the number of transfers out, and performed the following procedures:
10.2.1	Obtain the following Section 14 documentation from the Fund administrator: <ol style="list-style-type: none"> Section 14 (1) transfers: the Section 14(1) application, approval letter from the Authority and Form G in respect of each transfer; and/or Section 14 (8) transfers: the Section 14(8) Form H and J, as prescribed. Agree the following information per the listings to the documentation received: <ul style="list-style-type: none"> • Name of transferor/transferee fund; • Effective date; • Approval date; • Number of members; • Transfer amount; and • Growth and investment return. Note any exceptions.	We obtained the Section 14 documentation from the Fund administrator. The details per the documentation agreed to the following information per the listings: <ul style="list-style-type: none"> • Name of transferor/ transferee fund; • Effective date; • Approval date; • Number of members; • Transfer amount; and • Growth and investment return.

10.2.2	<p>Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the Fund administrator.</p> <p>Recalculate the number of days between the date of approval, as per the Authority approval obtained in 10.2.1, and the day of receipt/payment as per the bank statement.</p> <p>Note any exceptions, where the Section 14 transfers to and from the Fund were:</p> <ul style="list-style-type: none"> ● Not received/paid within 60 days of Authority approval for Section 14(1) transfers; ● Not received/paid within 180 days from the effective date for Section 14(8) transfers; and ● Not received/paid within the period as noted in the blanket transfer documentation, but not after 60 days from the blanket transfer end date. 	<p>We obtained the bank statements for the date of receipt/payment of the Section 14 transfers from the Fund administrator.</p> <p>We recalculated the number of days between the date of approval, as per the Authority approval obtained in 10.2.1, and the day of the receipt/ payment as per the bank statement, and the receipts/ payments were made within the required periods. We noted certain transfers that were not received/ paid within 60 days of approval for Section 14(1) transfers and 180 days of effective date for Section 14(8) transfers. Refer to Annexure C for details.</p>
10.2.3	<p>Inquire from the Fund administrator if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. Note any exceptions.</p>	<p>We inquired from the Fund administrator if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. We noted that the growth and investment return was allocated.</p>
10.3	<p>From the list of Section 14 transfers from other funds, as per procedure 10.2, select a sample of the lesser of 50 or 10% of the number of members (selected based on the selection criteria provided above), and perform the following procedures:</p>	<p>From the list of Section 14 transfers from other funds, as per procedure 10.2, we selected a sample of 50 of the number of members, and performed the following procedures:</p>
10.3.1	<p>In respect of unitised funds</p> <p>Recalculate the purchase of units for the amount received by dividing the amount transferred per the listing by the unit price per the administration system on the date of receipt. Agree the recalculated units to the number of units allocated to the member’s individual account on the administration system. Note any differences.</p> <p>In respect of non-unitised funds</p> <p>Agree the transfer amount received per the listing to the amount allocated to the member’s individual account on the administration system. Note any differences.</p>	<p>In respect of unitised funds</p> <p>We recalculated the purchase of units for the amount received by dividing the amount transferred per the listing by the unit price per the administration system on the date of receipt. The recalculated units agreed/ did not agree to the units per the administration system.</p> <p>In respect of non-unitised funds</p> <p>Not applicable to a unitised Fund.</p>
10.4	<p>Individual transfers in</p> <p>Obtain the list of individual transfers in throughout the period ended 31 March 2024 from the Fund administrator, select a sample of the lesser of 50 or 10% of the number of individual transfers (selected based on the selection criteria provided above), and perform the following procedures:</p>	<p>Individual transfers in</p> <p>We obtained the list of individual transfers in throughout the year ended 31 March 2024 from the Fund administrator, selected a sample of 50 of the number of individual transfers, and performed the following procedures:</p>

10.4.1	<p>Obtain the recognition of transfer documentation submitted by the transferor fund to the Fund from the Fund administrator. Agree the effective date and amount transferred to the recognition of transfer documentation. Note any exceptions.</p>	<p>We obtained the recognition of transfer documentation submitted by the transferor fund to the Fund from the Fund administrator. The effective date and amount transferred agreed to the recognition of transfer documentation, except for the following:</p> <p>For the 50 members selected, the effective date did not agree to the recognition of transfer documentation. The effective date on the recognition of transfer is when the member left the previous fund whereas the effective date on the administration system is when the assets are received and processed.</p>
10.4.2	<p>In respect of unitised funds</p> <p>Recalculate the purchase of units for the amount received by dividing the amount transferred per the listing by using the unit price per the administration system on the date of receipt. Agree the recalculated units to the number of units allocated to the member's individual account on the administration system. Note any exceptions.</p> <p>In respect of non-unitised funds</p> <p>Agree the transfer amount received per the listing to the amount allocated to the member's individual account on the administration system. Note any differences.</p>	<p>In respect of unitised funds</p> <p>We recalculated the purchase of units for the amount received by dividing the amount transferred per the listing by the unit price per the administration system on the date of receipt. The recalculated units agreed to the units per the administration system.</p> <p>In respect of non-unitised funds</p> <p>Not applicable to a unitised Fund.</p>
10.6	<p>Unclaimed benefit transfers</p> <p>Obtain a list of unclaimed benefits Section 14 transfers during the period from the Fund administrator and from the list of unclaimed benefits Section 14 transfers paid/ accrued from the Fund throughout the period, select a sample of the lesser of 50 or 10% of the number of transfers out (selected based on the selection criteria provided above), and perform the following procedures:</p>	<p>Unclaimed benefit transfers</p> <p>Not applicable as there were no transfers to unclaimed benefits Fund(s) recorded during the reporting period.</p>
10.6.1	<p>Obtain the following Section 14 documentation from the Fund administrator:</p> <p>a. Section 14 (1) transfers: the Section 14(1) application, approval letter from the Authority and Form G, in respect of each transfer; and/or</p> <p>b. Section 14 (8) transfers: the Section 14(8) Form H and J, as prescribed.</p> <p>Agree the following information per the listings to the documentation received:</p> <ul style="list-style-type: none"> ● Name of transferor/transferee fund; ● Effective date; ● Approval date; ● Number of members; ● Transfer amount; and 	<p>Not applicable as there were no transfers to unclaimed benefits Fund(s) recorded during the reporting period.</p>

	<ul style="list-style-type: none"> • Growth and investment return. <p>Note any exceptions.</p>	
10.6.2	<p>Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the Fund administrator.</p> <p>Recalculate the number of days between the date of approval, as per the Authority approval obtained in 10.2.1, and the day of receipt/payment as per the bank statement.</p> <p>Note any exceptions where the unclaimed benefits Section 14 transfers from the Fund were:</p> <ul style="list-style-type: none"> • Not paid within 60 days of Authority approval for Section 14(1) transfers; and • Not paid within 180 days from the effective date for Section 14(8) transfers. 	Not applicable as there were no transfers to unclaimed benefits Fund(s) recorded during the reporting period.
10.6.3	Inquire from the Fund administrator if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. Note any exceptions.	Not applicable as there were no transfers to unclaimed benefits Fund(s) recorded during the reporting period.
11	Pensioners paid	
11.1	Obtain the pensioner payment reconciliation (inclusive of in-fund annuities purchased in the name of the fund and living annuities) for pensions reflected as expenses in the Benefits note 10 as reflected in the audited annual financial statements from the Fund administrator for the period ended 31 March 2024, and perform the following procedures:	We obtained the living annuities pensioners payment reconciliation for pensions reflected as expenses in the Benefits note 10 to the audited annual financial statements from the Fund administrator for the period ended 31 March 2024, and performed the following procedures:
11.1.1	Agree the total pension expense per the reconciliation to the total pension expense per the pension expenses general ledger account 50003460. Note any differences and/or unexplained reconciliation items.	The total pension expense per the reconciliation reconciled to the pension expenses general ledger account 50003460. The reconciling amount of R10 000 related to an adjustment for a manual payment made in May 2023 which was not on the listing.
11.2	<p>In-fund pensioners</p> <p>Obtain a detailed pensioner payroll listing reflecting the pensioner's name, identification number and monthly pension amount for the period ended 31 March 2024 from the Fund administrator and agree the total pensions amount paid to the total pension amount paid on the reconciliation obtained in procedure 11.1.</p> <p>From the above list, select a sample of the lesser of 50 or 10% of the number of pensioners (selected based on the selection criteria provided above) and perform the following procedures:</p>	<p>In-fund pensioners</p> <p>Not applicable as the Fund did not have in-fund pensioners.</p>

11.2.1	Obtain the Board of Fund minutes or resolution from the Fund administrator, and note the pension increase percentage and the effective date of the pension increase.	Not applicable as the Fund did not have in-fund pensioners.
11.2.2	Inspect the administration system or observe the Fund administrator indicating on the administration system the pension increase granted to the pensioners. Note the percentage increase granted to the pensioners and the effective date of the pension increase.	Not applicable as the Fund did not have in-fund pensioners.
11.2.3	Agree the percentage increase and effective date noted in procedure 11.2.1 to the percentage increase and effective date noted in procedure 11.2.2.	Not applicable as the Fund did not have in-fund pensioners.
11.2.4	Inquire from the Fund administrator when the most recent (closest to period-end of the Fund) Certificate of Existence or the Department of Home Affairs [insert the name of the documentation] that indicates the alive status of the pensioners was obtained for the Fund and note the date.	Not applicable as the Fund did not have in-fund pensioners.
11.2.5	Obtain the Certificate of Existence or the Department of Home Affairs documentation noted in procedure 11.2.4 from the Fund administrator and inspect for the pensioners' names and/or identification numbers of the sample of pensioners.	Not applicable as the Fund did not have in-fund pensioners.
11.3	Annuities purchased in the name of the Fund Obtain an external confirmation from the annuity providers summarising the movements from the opening market value to the closing market value for the period, and perform the following procedures:	Annuities purchased in the name of the Fund Not applicable as the Fund did not have annuities purchased in the name of the Fund.
11.3.1	Agree the closing market value of the annuity per the external confirmation from the annuity providers to the annuities purchased general ledger account [insert the general ledger account number]. Note any differences.	Not applicable as the Fund did not have annuities purchased in the name of the Fund.
11.3.2	Agree the pension expense per the external confirmation from the annuity providers to the pension expense on the pensioner reconciliation obtained in procedure 11.1. Note any differences.	Not applicable as the Fund did not have annuities purchased in the name of the Fund.
11.4	Living annuities in the Fund Obtain a detailed pensioner payroll listing reflecting the pensioner's name, identification number, monthly pension and pension payment start date of pensioners in receipt of a living annuity from the Fund administrator and agree the total pension amount on the detailed pensioner payroll listing of pensioners in receipt of a living annuity to the pension amount paid on the pensioner reconciliation obtained in procedure 11.1. Note any differences.	Living annuities in the Fund We obtained a detailed pensioner payroll listing reflecting the pensioner's name, identification number, monthly pension and pension payment start date of pensioners in receipt of a living annuity from the Fund administrator. The total pension amount on the detailed pensioner payroll listing of pensioners in receipt of a living annuity reconciled to the pensioner amount paid on the pensioner

		reconciliation obtained in procedure 11.1. Refer to 11.1 for details of the reconciling item.
11.4.1	<p>New Living annuities in the Fund</p> <p>From the listing obtained in procedure 11.4, select a sample (selected based on the selection criteria provided above) of the lesser of 50 or 10% of the number of new pensioners in receipt of a living annuity; obtain the detailed pensioner record/statement for the period reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and perform the following procedures:</p>	<p>New living annuities in the Fund</p> <p>Not applicable as the Fund did not have new living annuitants.</p>
11.4.1.1	Obtain the [insert the name of the document reflecting the pensioners' chosen drawdown rate at retirement] of the new pensioners in receipt of a living annuity.	Not applicable as the Fund did not have new living annuitants.
11.4.1.2	Agree the drawdown rate reflected on the pensioner record/statement obtained in procedure 11.4.1 to the drawdown rate obtained in procedure 11.4.1.1, Note any differences.	Not applicable as the Fund did not have new living annuitants.
11.4.2	<p>All living annuities in the Fund</p> <p>From the listing obtained in procedure 11.4, select a sample (selected based on the selection criteria provided above) of the lesser of 50 or 10% of the number of pensioners in receipt of a living annuity; obtain the detailed pensioner record/statement for the period reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and perform the following procedures:</p>	<p>All living annuities in the Fund</p> <p>We selected a sample listing obtained in procedure 11.4 of 7 of the number of pensioners in receipt of a living annuity; obtained the detailed pensioner record/statement for the period reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and performed the following procedures:</p>
11.4.2.1	<p>Compare the drawdown rate as reflected in the detailed pensioner record/statement obtained in procedure 11.4.2 to the living annuities drawdown rates as defined in Section 1 of the Income Tax Act and/or the Authority's Conduct Standard on Living Annuities.</p> <p>Note any exceptions where the drawdown rate, as per the administration system, is higher or lower than the one defined in Section 1 of the Income Tax Act and/or the Authority's Conduct Standard on Living Annuities.</p>	<p>We compared the drawdown rate as reflected in the detailed pensioner record/statement obtained in procedure 11.4.2 to the living annuities drawdown rates as defined in Section 1 of the Income Tax Act and/or the Authority's Conduct Standard on Living Annuities.</p> <p>No instances were noted where the drawdown rate as per the administration system was higher or lower than the one defined in Section 1 of the Income Tax Act and/or Authority's Conduct Standard on Living Annuities.</p>
11.4.2.2	Recalculate the drawdown rate by dividing the monthly pension paid by the balance of pensions, as reflected in the pensioner record/statement obtained in procedure 11.4.2. Agree the recalculated drawdown rate to the drawdown rate reflected on the record/statement obtained in procedure 11.4.2. Note any exceptions.	We recalculate the drawdown rate by dividing the monthly pension paid by the balance of pensions, as reflected in the pensioner record/statement obtained in procedure 11.4.2. The recalculated drawdown rate agreed to the drawdown rate reflected on the record/statement obtained in procedure 11.4.2.

/11.4.2 .3	Obtain the Certificate of Existence noted in procedure 11.2.4 from the Fund administrator and inspect for the pensioner's name and/or identification number. Note any exceptions.	We did not obtain the Certificate of Existence noted in procedure 11.2.4 from the Fund administrator for the sample of living annuitants selected. The living annuitants were transferred out in July 2023 which was prior to the anniversary dates for the selected living annuitants.
12	General	
12.1	Obtain a copy/ copies of the fund's fidelity insurance cover/ policy from the Fund administrator for the period ended 31 March 2024 and inspect the period of the cover (start date and end date). Note instances where the cover period does not extend to the period-end. Note the date on which the cover is in place.	We obtained copies of the fund's fidelity insurance cover from the Fund administrator and inspected the period of the cover 1 April 2023 to 31 March 2024. The period of the cover per the policy extended to the period subsequent to year end until 30 June 2025.
12.2	Inquire from the Fund administrator the date(s) of the latest approved Group Life Assurance (GLA) and/or disability benefit policies of the Fund for the sample of pay points selected in procedure 8.1 and note the period of cover(s) and whether the cover(s) extended subsequently to the period-end. Note the end date of the cover(s).	We inquired from the Fund administrator about the dates of the latest GLA benefit policies of the Fund for the sample of pay points selected in procedure 8.1 and noted the following for the 50 items selected: <ul style="list-style-type: none"> • For 40 participating employers the covers are in place until 31 March 2024. We noted that the covers extended subsequent to the period-end. Included in the 40 we noted that for 12 participating employers, the rates did not change from prior period. • For 10 participating employers there were no Fund GLA policies applicable.
12.3	Inquire from the Fund administrator the date of the latest statutory actuarial valuation and when it was submitted to the Authority. Note the date of the valuation and the date of submission to the Authority. Where the Fund is valuation exempt, inquire from the Fund administrator when the valuation exemption was approved by the Authority and note the date.	We inquired from the Fund administrator and noted that the Fund has a valuation exemption. The valuation exemption was approved by the Authority on 22 February 2023. The Fund obtained approval subsequent to year end in April 2023, the exemption is applicable until March 2025.
12.3.1	Obtain a copy of the latest statutory valuation from the Fund administrator, as noted in procedure 12.3, and inspect the valuation note for the funding status of the Fund (whether the Fund was under-funded or fully funded).	Not applicable as the Fund had a valuation exemption as noted in 12.3.
12.3.2	Where the Fund is under-funded per the valuation report, inquire from the Fund administrator as to whether a scheme, as required in terms of Section 18 of the Act, has been approved by the Authority. Note any exceptions.	Not applicable as the Fund had a valuation exemption as noted in 12.3.

12.3.3	Where a scheme as required by Section 18 of the Act has been approved by the Authority, inquire from the Fund administrator as to whether the recommendations/ corrective action of the scheme, as required in terms of Section 18 of the Act, have/has been implemented. Note any exceptions.	Not applicable as the Fund had a valuation exemption as noted in 12.3.
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Deloitte & Touche
Registered Auditors
Per: Ronel van Graan
Partner

28 September 2024

5 Magwa Crescent
Waterfall City
Johannesburg
2090

Annexure A: Differences between amounts per employer schedules and amounts received per bank statements.

Paypoints selected	Month	Employer schedule	Banked	Difference	Explanation
CHEP South Africa (Pty) Ltd	2023-06	R880 375	R880 806	R431	Overpayment
EKS Vehicle Tracking (Pty) Ltd	2023-06	R305 203	R300 000	-R5 203	Underpayment
Nelson Mandela Museum	2024-03	R74 834	R75 227	R393	Overpayment

Annexure B: Contributions not received within 7 days after month-end.

Paypoints selected	Month	Amount	Date received	LPI raised	Amount of LPI
EKS Vehicle Tracking (Pty) Ltd	2023-06	R300 000	18/08/2023	Yes	R8 572
EKS Vehicle Tracking (Pty) Ltd	2023-12	R345 278	16/02/2024	Yes	R1 836
Templeton Asset Management Ltd	2023-12	R86 226	24/01/2024	Yes	R519
EKS Vehicle Tracking (Pty) Ltd	2024-03	R241 465	15/04/2024	Yes	R683

Annexure C: Transfers not received/ paid within 60 days or 180 days of approval.

Name of Transferee Fund	Type	Case no.	Amount per General ledger/ listing	Effective date	Date per FSCA Approval	Date received per bank statement	Amount per bank statement	Amount not yet received post 60/180 days	Number of days
Hollard Employees Provident Fund	14(1)	548740	R964 142	04/10/2022	04/10/2022	26/07/2023	R964 142	-	295
FundsAtWork Umbrella Pension Fund	14(8)	2023-1210-A	R137 890	01/10/2023	n/a	08/04/2024	-	R137 890	190

SCHEDULE IA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

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Investment summary schedule

	Note	Direct investments R	Non-compliant collective investment schemes R	Non-compliant insurance policies R 3	Compliant investments R	Total R
Cash (including cash at bank)	1	1 328 573 135	0	368 726 753		1 697 299 888
Commodities		0	0	10 047 399		10 047 399
Debt instruments including Islamic debt instruments		0	0	1 017 820 771		1 017 820 771
Investment properties and owner-occupied properties		0	0	241 830 735		241 830 735
Equities		0	0	3 480 792 786		3 480 792 786
Hedge funds		0	0	341 705 064		341 705 064
Private equity funds		0	0	44 241 009		44 241 009
Insurance policies						
Linked policies	2				68 029 111 628	68 029 111 628
TOTAL INVESTMENTS		1 328 573 135	0	5 505 164 517	68 029 111 628	74 862 849 280

Non-compliant portfolios

The Fund's assets disclosed as non-compliant insurance policies have been disclosed as such because:-

i) The Fund's investments outside the Republic were in temporary breach at the Fund's year end due to market movements. The Act allows such breaches due to market movements, provided that:

- The Financial Sector Conduct Authority was notified of the breach,
- there has been no additional investment into the portfolios, and
- the breach will be corrected within 12 months.

ii) The Fund was unable to obtain the audit certificates from the Investment Administrator's auditors as these were not available.

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For the portfolios disclosed as non-compliant, the Fund has obtained the look through to the underlying investments from the investment administrator and is shown as such in Schedule IB. The Fund notes that the "non-compliant" label does not suggest that the Fund is contravening any requirements of Regulation 28 of the Pension Funds Act (non-compliance with limits is highlighted in the section of IB dealing with non-compliances). The Fund's compliance with Regulation 28 is disclosed in Schedule IB.

Reconciling items between Schedule IA and IB

Column "Reconciling items between Schedule IA and IB" reconciles the compliant portfolios which have been disclosed on a look through basis on Schedule IB.

Investment summary schedule (continued)

	Local R	Total foreign R	Foreign Africa R	Total percentage foreign exposure %	Reconciling items between Schedule IA and IB R	Total as per Regulation 28 (Schedule IB) R
Cash (including cash at bank)	1 556 216 404	141 083 484	6 009 352	8.31%	3 429 893 629	5 127 193 517
Commodities	7 705 051	2 342 348	0	23.31%	287 304 072	297 351 471
Debt instruments including Islamic debt instruments	708 394 221	309 426 550	94 365 486	30.40%	14 115 222 593	15 133 043 364
Investment properties and owner-occupied properties	212 177 606	29 653 129	0	12.26%	1 892 318 286	2 134 149 021
Equities	1 851 778 485	1 629 014 301	1 114 816	46.80%	44 679 913 084	48 160 705 870
Hedge funds	341 705 064	0	0	0.00%	3 036 246 971	3 377 952 035
Private equity funds	42 546 417	1 694 592	0	3.83%	588 212 993	632 454 002
Insurance policies						
Linked policies	42 360 295 774	25 668 815 854	720 618 734	37.73%	(68 029 111 628)	0
TOTAL INVESTMENTS	47 080 819 022	27 782 030 258	822 108 388	37.11%	0	74 862 849 280

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For the period ended 31 March 2024

1. Cash

Fair value
R

Local

Notes, deposits, money market instruments issued by a South African bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments

Notes and coins, any balance or deposit in an account held with a South African bank

1 328 573 135

The Standard Bank of South Africa Limited

1 325 060 327

The Standard Bank of South Africa Limited - cash in transit

3 512 808

Total cash

1 328 573 135

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2. Certified Regulation 28 compliant investments

Instrument	Local R	Foreign R	Fair value R
Linked policies	42 360 295 774	25 668 815 854	68 029 111 628
Alexander Forbes Investments Limited - AF Accelerator Portfolio	23 043 107	13 638 027	36 681 134
Alexander Forbes Investments Limited - AF Active Balanced Life Stage Conservative Growth Portfolio	1 224 693	230 796	1 455 489
Alexander Forbes Investments Limited - AF Active Balanced Life Stage High Growth Portfolio	30 136 894 292	20 456 701 931	50 593 596 223
Alexander Forbes Investments Limited - AF Active Balanced Life Stage High-Medium Growth Portfolio	16 578 142	8 750 714	25 328 856
Alexander Forbes Investments Limited - AF Active Balanced Life Stage Medium Growth Portfolio	6 255 932	2 281 151	8 537 083
Alexander Forbes Investments Limited - AF Active Balanced Life Stage Medium-Conservative Growth Portfolio	3 784 855	1 109 217	4 894 072
Alexander Forbes Investments Limited - AF Banker Portfolio	948 468 990	0	948 468 990
Alexander Forbes Investments Limited - AF Conserver Portfolio	185 244 174	54 559 470	239 803 644
Alexander Forbes Investments Limited - AF Coronation Managed 1 Portfolio	86 911 745	65 053 590	151 965 335
Alexander Forbes Investments Limited - AF Explorer Portfolio	22 200 020	17 029 821	39 229 841
Alexander Forbes Investments Limited - AF Flexible Income Target Portfolio	1 837 312	937 139	2 774 451
Alexander Forbes Investments Limited - AF Foord Asset Management Portfolio	117 417 542	78 982 420	196 399 962
Alexander Forbes Investments Limited - AF Houseview Income Target Portfolio	4 249 803 016	918 221 713	5 168 024 729
Alexander Forbes Investments Limited - AF Inflation Income Target Portfolio	19 262 623	0	19 262 623
Alexander Forbes Investments Limited - AF M&G Portfolio	37 828 153	18 520 915	56 349 068
Alexander Forbes Investments Limited - AF Ninety One Cautious Managed Portfolio	24 565 133	8 780 650	33 345 783
Alexander Forbes Investments Limited - AF Ninety One SA (Pty) Ltd Portfolio	79 946 010	46 108 506	126 054 516
Alexander Forbes Investments Limited - AF Passive Bold - Moderate Portfolio	1 303 592	655 307	1 958 899
Alexander Forbes Investments Limited - AF Passive Bold Portfolio	433 064 993	285 528 155	718 593 148
Alexander Forbes Investments Limited - AF Passive Cautious Portfolio	299 455	69 341	368 796
Alexander Forbes Investments Limited - AF Passive Explorer Portfolio	12 884 587	9 803 434	22 688 021
Alexander Forbes Investments Limited - AF Passive Houseview Income Target Portfolio	103 682 787	20 848 258	124 531 045
Alexander Forbes Investments Limited - AF Passive Moderate - Cautious Portfolio	117 139 364	35 236 343	152 375 707
Alexander Forbes Investments Limited - AF Passive Moderate Portfolio	1 659 552	659 881	2 319 433
Alexander Forbes Investments Limited - AF Performer Portfolio	3 989 968 753	2 708 361 409	6 698 330 162
Alexander Forbes Investments Limited - AF PSG Global Balanced Portfolio	11 334 697	5 380 651	16 715 348
Alexander Forbes Investments Limited - AF Retirement Navigator Portfolio	391 674 121	265 729 406	657 403 527
Alexander Forbes Investments Limited - AF Shariah High Growth Portfolio	167 213 711	110 698 821	277 912 532
Alexander Forbes Investments Limited - AF Shariah Medium Growth Portfolio	27 609 890	8 886 116	36 496 006
Alexander Forbes Investments Limited - AF Spectrum Portfolio	34 912 882	21 110 490	56 023 372

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For the period ended 31 March 2024

2. Certified Regulation 28 compliant investments (continued)

Instrument	Local R	Foreign R	Fair value R
Alexander Forbes Investments Limited - AF Stable Focus Combined Portfolio	447 315 776	103 427 355	550 743 131
Alexander Forbes Investments Limited - AF Stable Focus Portfolio	28 838 057	12 242	28 850 299
Alexander Forbes Investments Limited - Banker Portfolio	1 565	0	1 565
Alexander Forbes Investments Limited - Clarity Best View De-Risking 2 Portfolio	5 874 037	0	5 874 037
Alexander Forbes Investments Limited - Clarity Best View De-Risking 4 Portfolio	32 757 019	0	32 757 019
Alexander Forbes Investments Limited - Clarity Performer Portfolio	591 495 197	401 502 585	992 997 782
	42 360 295 774	25 668 815 854	68 029 111 628

SCHEDULE IA**ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)**

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Schedules to the Annual Financial Statements

For the period ended 31 March 2024

3. Regulation 28 non-compliant investments

Instrument	Local R	Foreign R	Fair value R
Linked policies	3 391 950 113	2 113 214 404	5 505 164 517
Alexander Forbes Investments Limited - AF Allan Gray Ltd Classic Balanced Portfolio	196 316 678	154 954 308	351 270 986
Alexander Forbes Investments Limited - AF Allan Gray Ltd Portfolio	7 954 885	5 109 500	13 064 385
Alexander Forbes Investments Limited - AF Conservative Growth Portfolio	90 096 671	21 089 648	111 186 319
Alexander Forbes Investments Limited - AF Coronation Fund Managers - Best Investment View II Portfolio	43 499 322	37 339 887	80 839 209
Alexander Forbes Investments Limited - AF Coronation Fund Managers Portfolio	44 546 603	38 238 875	82 785 478
Alexander Forbes Investments Limited - AF High Growth Portfolio	2 217 109 074	1 606 691 894	3 823 800 968
Alexander Forbes Investments Limited - AF High/Medium Growth Portfolio	128 134 862	67 773 582	195 908 444
Alexander Forbes Investments Limited - AF Medium Growth Portfolio	106 657 527	37 994 878	144 652 405
Alexander Forbes Investments Limited - AF Medium/Conservative Growth Portfolio	40 570 916	10 976 000	51 546 916
Alexander Forbes Investments Limited - AF Real Return Focus Portfolio	517 063 575	133 045 832	650 109 407
Total non-compliant investments	3 391 950 113	2 113 214 404	5 505 164 517

SCHEDULE IA

ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Schedules to the Annual Financial Statements

For the period ended 31 March 2024

Risk management Credit/counter party risk

Counter party	Deposit or liquid asset with counter party R	Guarantees R	Any other instrument R	Total for counter party R	Exposure to counter party as a % of the fair value of the Fund %
Banks					
ABSA Bank Limited	0	11 004 568	0	11 004 568	0.01%
FirstRand Bank Limited	0	97 408 184	0	97 408 184	0.13%
The Standard Bank of South Africa Limited	1 328 573 135	8 351 204	0	1 336 924 339	1.79%
Asset managers – local					
Alexander Forbes Investments Limited	0	0	73 534 276 145	73 534 276 145	98.23%

Other financial instruments

List of the 10 largest rand value other financial instruments

	Fair value R	Market movement by 5% R
Alexander Forbes Investments Limited - AF Active Balanced High Growth Portfolio	50 593 596 223	2 529 679 811
Alexander Forbes Investments Limited - AF Performer	6 698 330 163	334 916 508
Alexander Forbes Investments Limited - AF Houseview Income Target	5 168 024 729	258 401 236
Alexander Forbes Investments Limited - AF High Growth Portfolio	3 823 800 968	191 190 048
Alexander Forbes Investments Limited - AF Clarity Performer (UL)	992 997 782	49 649 889
Alexander Forbes Investments Limited - AF Banker	948 468 990	47 423 450
Alexander Forbes Investments Limited - AF Passive Bold	718 593 149	35 929 657
Alexander Forbes Investments Limited - AF Retirement Navigator	657 403 527	32 870 176
Alexander Forbes Investments Limited - AF Real Return Focus	650 109 408	32 505 470
Alexander Forbes Investments Limited - AF Stable Focus Combined	550 743 132	27 537 157
Total value of 10 largest other financial instruments	70 802 068 071	3 540 103 402
Total movement as % of non-current assets plus bank		4.73%

SCHEDULE IA
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Schedules to the Annual Financial Statements

For the period ended 31 March 2024

Reconciliation between the investment note HA and schedule IA summary

	Fair value as per Investment note R	Cash at bank R	Non-compliant Insurance policies R	Total R
Cash (including cash at bank)	0	1 328 573 135	368 726 753	1 697 299 888
Commodities	0		10 047 399	10 047 399
Debt instruments including Islamic debt instruments	0		1 017 820 771	1 017 820 771
Investment properties and owner-occupied properties	0		241 830 735	241 830 735
Equities	0		3 480 792 786	3 480 792 786
Hedge funds	0		341 705 064	341 705 064
Private equity funds	0		44 241 009	44 241 009
Insurance policies	73 534 276 145		(5 505 164 517)	68 029 111 628
TOTAL INVESTMENTS	73 534 276 145	1 328 573 135	0	74 862 849 280

Independent Auditor's Reasonable Assurance Report on Assets Held in Compliance with Regulation 28 of the Pension Funds Act No. 24 of 1956, as amended

To the Board of Fund of **Alexander Forbes Retirement Fund (Provident Section)**

Report on Compliance of Schedule IB with Regulation 28 of the Act

We have undertaken our engagement in accordance with Section 15 of the Pension Funds Act No. 24 of 1956, as amended (the Act) in order to provide the Board of Fund of Alexander Forbes Retirement Fund (Provident Section) (the Fund) with a reasonable assurance opinion that Schedule IB "Assets held in compliance with Regulation 28" (the Schedule) on pages 116 to 126 at 31 March 2024 is prepared in all material respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) as at 31 March 2024.

The Board of Fund's responsibility for the Schedule

The Board of Fund is responsible for ensuring that the Schedule is prepared in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) and for compliance of the Fund with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Deloitte applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the Schedule is prepared in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) and whether the Fund complies with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) based on performing a reasonable assurance engagement.



National Executive: *R Redfearn Chief Executive Officer *GM Berry Chief Operating Officer JW Eshun Managing Director Businesses LN Mahluza Chief People Officer *N Sing Chief Risk Officer AP Theophanides Chief Sustainability Officer *NA le Riche Chief Growth Officer *ML Tshabalala Audit & Assurance AM Babu Consulting TA Odukoya Financial Advisory G Rammego Risk Advisory DI Kubeka Tax & Legal DP Ndlovu Chair of the Board

A full list of partners and directors is available on request

* Partner and Registered Auditor

B-BBEE rating: Level 1 contribution in terms of the DTI Generic Scorecard as per the amended Codes of Good Practice

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

We performed our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ISAE 3000 (Revised)) issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the Schedule is prepared in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) and whether the Fund complies with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9).

A reasonable assurance engagement in accordance with ISAE 3000 (Revised) involves performing procedures to obtain sufficient appropriate evidence that the Schedule is prepared in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) and that the Fund complies with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9). The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of non-compliance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9), whether due to fraud and error. In making those risk assessments we consider internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

Inherent limitations

The Fund has investments in linked policies as defined in the Long Term Insurance Act, issued by an entity regulated by the Financial Sector Conduct Authority. The Fund obtained confirmations including a breakdown of the underlying assets from the insurers and issuers of these investments at 31 March 2024, the year-end of the Fund. In certain instances, these confirmations were not subjected to audit procedures by the auditors of the different insurers and issuers as at 31 March 2024.

We have not assessed the accuracy and completeness of the information included in these confirmations obtained from the insurers and issuers to the value of R73 534 276 145 at 31 March 2024.

We are unable to conclude on the accuracy and completeness of these confirmations beyond whether the confirmations in total agree to the underlying accounting records of the Fund.

Summary of work performed

We completed our audit of the annual financial statements of the Alexander Forbes Retirement Fund (Provident Section) for the year ended 31 March 2024, prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, on which we issued an unmodified opinion on 28 September 2024. That audit was performed in accordance with International Standards on Auditing. Where appropriate, we have drawn on evidence obtained regarding information contained in the Schedule that has been extracted from the Fund's underlying accounting records that were the subject of our audit engagement on the annual financial statements and forms the subject matter of this engagement.

We have performed such additional procedures as we considered necessary which included:

- Evaluating whether confirmations from financial institutions are in support of the records made available to us;
- Evaluating whether the investments are classified correctly per the categories of Schedule IB based on information obtained about the nature of investments from the financial institutions;
- Recalculating the percentages of assets held in relation to total assets; and
- Comparing the percentages calculated to the prescribed limits.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

Opinion

In our opinion, the Schedule IB "Assets held in compliance with Regulation 28" at 31 March 2024 is prepared in all material respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(j), (4), (8) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) as at 31 March 2024.

Emphasis of matter

We draw attention to the matter below. Our conclusion is not qualified in respect of this matter. As disclosed in the note (Impact of changes in Regulation 28) on page 125 to 126 of the Schedule, the FSCA have communicated that the Regulatory Reporting Standard has not yet been finalized, and as such funds must continue to prepare annual financial statements in accordance with the requirements of Board Notice 77 (including the existing Schedule IB). As disclosed the Board of Fund

acknowledges the mismatch between the format of the Schedule and the requirements of Regulation 28, however, the current format of reporting is in accordance with the communication from the FSCA and the current format of the schedule therein.

Other matter – Compliance with regulations 28(3)(iA) and 28(8)(b)

Regulation 28(3)(iA) states that the aggregate exposure by a Fund to all issuers in respect of direct infrastructure, across all asset categories, excluding any debt instrument issued or guaranteed by the South African Government, may not exceed 45% of the aggregate fair value of the total assets of the Fund. Regulation 28(8)(b) requires the Fund to report its infrastructure assets, with respect to the top 20 holdings, in the format specified in Table 2. The definition of 'infrastructure' in the amended Regulation 28 as prescribed in Government Gazette No.46649 of 1 July 2022, which became effective on 3 January 2023 does not provide criteria for the identification and classification of infrastructure. As a result, compliance with Regulations 28(3)(iA) and 28(8)(b) was excluded from the scope of our assurance engagement. Our opinion is not modified in respect of this matter.

Restriction on use

Without modifying our opinion we emphasise that Schedule IB is designed to meet the information needs of the Board of Fund for the purpose of reporting to the Financial Sector Conduct Authority (FSCA). As a result our report is not suitable for another purpose. Our report is presented solely for the information of the Board of Fund for the purpose of reporting to the FSCA.

DocuSigned by:

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Deloitte & Touche
Registered Auditors
Per: Ronel van Graan
Partner

28 September 2024

5 Magwa Crescent
Waterfall City
Johannesburg
2090

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28

For the period ended 31 March 2024

		R
A	Total assets (Schedule IA - Total investments)	74 862 849 280
B1	Less: Regulation 28 compliant investments (certificate received from issuing entity):-	0
	B1.1 Collective Investment Schemes (Regulation 28(8)(b)(i))	0
	B1.2 Linked policies (Regulation 28(8)(b)(ii))	0
	B1.3 Guaranteed policies (Regulation 28(8)(b)(iii))	0
	B1.4 Entity regulated by Financial Sector Conduct Authority (Regulation 28(8)(b)(iv))	0
B2	Less: Regulation 28 excluded investments	0
	B2.1 Insurance policies (Regulation 28(3)(c))	0
C	Less: Investments not disclosed or data not available for disclosure (IA.13)	0
D	TOTAL ASSETS FOR REGULATION 28 DISCLOSURE	74 862 849 280

Categories of kinds of assets	%	Fair value R	Fair value %
1 Cash	100%	5 127 193 517	6.85%
1.1 Local notes, deposits, money market instruments issued by a South African bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments	100%	4 267 024 927	5.70%
(a) Notes and coins, any balance or deposit in an account held with a South African bank	100%	1 913 189 419	2.56%
The Standard Bank Of South Africa Limited	25%	1 337 404 124	1.79%
(b) A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument	100%	2 221 249 800	2.97%
Absa Group Limited	25%	589 089 237	0.79%
(c) Any positive net balance in a margin account with an exchange	100%	116 236 353	0.16%
Yieldx	25%	79 347 654	0.11%
(d) Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets	100%	16 349 355	0.02%
Chicago Board Of Trade	25%	8 755 656	0.01%
1.2 Foreign balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management	SARB maximum limits	860 168 590	1.15%

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28
For the period ended 31 March 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
financial instruments			
(a) Any balance or deposit held with a foreign bank		858 455 243	1.15%
Bank Of New York Mellon	5%	487 605 788	0.65%
(b) Any balance or deposit held with an African bank		1 713 347	0.00%
Government Of Egypt	5%	1 578 610	0.00%
(c) A money market instrument issued by a foreign bank including an Islamic liquidity management financial instrument		0	0.00%
2 Debt Instruments including Islamic debt instruments	100% issued / guaranteed by Republic otherwise	15 133 043 364	20.21%
2.1 Inside the Republic	75/100%	13 186 035 721	17.61%
(a) Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%	8 862 666 370	11.84%
(b) Debt instruments issued or guaranteed by the government of a foreign country	75%	3 081	0.00%
Government Of Namibia	10%	3 081	0.00%
(c) Debt instruments issued or guaranteed by a South African bank against its balance sheet	75%	2 005 296 600	2.68%
(i) Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	1 978 675 462	2.64%
Absa Group Limited	25%	609 154 023	0.81%
(ii) Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%	17 608 022	0.02%
Bnp Paribas Sa - Rsa Branch	15%	14 820 882	0.02%
(iii) Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	6 738 792	0.01%

**SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)**

Registration number: 12/8/34766

**Assets held in compliance with Regulation 28
For the period ended 31 March 2024**

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
The Standard Bank Of South Africa Limited	10%	6 738 792	0.01%
(iv) Not listed on an exchange	25%	2 274 324	0.00%
African Bank Limited	5%	1 352 507	0.00%
(d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange, or debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed	50%	935 277 568	1.25%
(i) Listed on an exchange	50%	794 296 203	1.06%
Development Bank Of Southern Africa	10%	127 330 131	0.17%
(ii) Not listed on an exchange	25%	140 981 365	0.19%
Land And Agricultural Bank Of South Africa	5%	21 637 668	0.03%
(e) Other debt instruments:	25%	1 382 792 102	1.85%
(i) Listed on an exchange	25%	548 691 332	0.73%
Old Mutual Asset Managers	5%	149 948 896	0.20%
(ii) Not listed on an exchange	15%	834 100 770	1.11%
Sanlam Limited	5%	290 281 344	0.39%
2.2 Outside the Republic	SARB maximum limits	1 947 007 643	2.60%
(a) Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	SARB maximum limits	23 461	0.00%
(b) Debt instruments issued or guaranteed by the government of a foreign country	SARB maximum limits	526 550 823	0.70%
United States Of America	10%	169 434 797	0.23%
(c) Debt instruments issued or guaranteed by a South African bank against its balance sheet	SARB maximum limits	0	0.00%
(i) Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB maximum limits	0	0.00%
(ii) Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or	SARB maximum limits	0	0.00%

**SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)**

Registration number: 12/8/34766

**Assets held in compliance with Regulation 28
For the period ended 31 March 2024**

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
an amount or conditions as prescribed			
(iii) Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB maximum limits	0	0.00%
(iv) Not listed on an exchange	25%	0	0.00%
(d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	SARB maximum limits	936 699 515	1.25%
(i) Listed on an exchange	SARB maximum limits	922 888 128	1.23%
Blackrock Inc	10%	208 555 467	0.28%
(ii) Not listed on an exchange	25%	13 811 387	0.02%
Barclays Bank Plc - Non-Rsa Branches	5%	4 031 320	0.01%
(e) Other debt instruments	25%	483 733 844	0.65%
(i) Listed on an exchange	25%	481 208 955	0.64%
State Street Corporation	5%	166 779 988	0.22%
(ii) Not listed on an exchange	15%	2 524 889	0.00%
Sunset Mortgage Company	5%	624 287	0.00%
3 Equities	75%	48 160 705 870	64.33%
3.1 Inside the Republic	75%	24 198 661 474	32.32%
(a) Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange	75%	24 026 668 509	32.09%
(i) Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	22 363 696 475	29.87%
Naspers Limited	15%	2 169 626 217	2.90%
(ii) Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%	1 623 139 222	2.17%
Spar Group	10%	186 545 720	0.25%
(iii) Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	39 832 812	0.05%
Nampak Limited	5%	6 629 155	0.01%

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28
For the period ended 31 March 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
(b) Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	171 992 965	0.23%
Metrofibre Networxordinary Share	2.5%	19 017 353	0.03%
3.2 Outside the Republic	SARB maximum limits	23 962 044 396	32.01%
(a) Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange	SARB maximum limits	23 185 161 677	30.97%
(i) Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB maximum limits	22 113 628 680	29.54%
Sanlam Investment Management	15%	1 250 553 499	1.67%
(ii) Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB maximum limits	499 523 819	0.67%
Mcb Group Limited	10%	30 799 033	0.04%
(iii) Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB maximum limits	572 009 178	0.76%
Adyen Nv	5%	47 849 361	0.06%
(b) Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	776 882 719	1.04%
Mercer Global Investments Management Limited	2.5%	776 726 160	1.04%
4 Immovable property	25%	2 134 149 021	2.85%
4.1 Inside the Republic	25%	1 453 157 620	1.94%
(a) Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a collective investment scheme in property, listed on an exchange	25%	1 193 169 169	1.59%
(i) Issuer market capitalisation of R10 billion or more, or an amount or	25%	1 035 630 265	1.38%

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28
For the period ended 31 March 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
conditions as prescribed			
Nepi Rockcastle Plc	15%	236 880 873	0.32%
(ii) Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%	148 872 956	0.20%
Equites Property Fund Limited	10%	31 805 666	0.04%
(iii) Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%	8 665 948	0.01%
Octodec Investments	5%	4 123 441	0.01%
(b) Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange	15%	259 988 451	0.35%
Sanlam Limited	5%	182 178 328	0.24%
4.2 Outside the Republic	25%	680 991 401	0.91%
(a) Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a collective investment scheme in property, listed on an exchange	25%	680 991 401	0.91%
(i) Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%	669 451 446	0.89%
Mercer Global Investments Management Limited	15%	482 229 399	0.64%
(ii) Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%	10 714 466	0.01%
Cairo Investment Real Estate	10%	7 646 467	0.01%
(iii) Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%	825 489	0.00%
Ck Asset Holdings Limited	5%	522 672	0.00%
(b) Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to	15%	0	0.00%

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28
For the period ended 31 March 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
debentures in property companies, not listed on an exchange			
5 Commodities	10%	297 351 471	0.40%
5.1 Inside the Republic	10%	209 387 672	0.28%
(a) Kruger Rands and other commodities on an exchange, including exchange traded commodities	10%	209 387 672	0.28%
(i) Gold (including Kruger Rands)	10%	110 756 799	0.15%
(ii) Other commodities	5%	98 630 873	0.13%
Platinum	5%	98 279 040	0.13%
5.2 Outside the Republic	10%	87 963 799	0.12%
(a) Gold and other commodities on an exchange, including exchange traded commodities	10%	87 963 799	0.12%
(i) Gold	10%	87 690 661	0.12%
(ii) Other commodities	5%	273 138	0.00%
Jp Morgan Chase & Co	5%	273 138	0.00%
6 Investments in the business of a participating employer inside the Republic in terms of:		0	0.00%
(a) Section 19(4) of the Pension Funds Act	5%	0	0.00%
(b) To the extent it has been allowed by an exemption in terms of section 19(4A) of the Pension Funds Act	10%	0	0.00%
7 Housing loans granted to members in accordance with the provisions of section 19(5)	65%	0	0.00%
8 Hedge funds, private equity funds and any other asset not referred to in this schedule		4 010 406 037	5.36%
8.1 Inside the Republic		3 766 551 608	5.03%
(a) Hedge fund	10%	3 377 952 035	4.51%
(i) Funds of hedge funds	10%	3 373 923 443	4.51%
AF Invest Performance Qi Hedge Fof B2	5%	2 739 627 811	3.66%
(ii) Hedge funds	10%	4 028 592	0.01%
Coronation Multi Strategy Arbitrage	2.5%	2 155 394	0.00%

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28

For the period ended 31 March 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
Hedge Fund			
(b) Private equity funds	15%	388 599 573	0.52%
(i) Funds of private equity funds		0	0.00%
(ii) Private equity funds		388 599 573	0.52%
Sanlam Private Equity Mid-Market Fund I	5%	59 901 537	0.08%
(c) Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2.5%	0	0.00%
8.2 Outside the Republic		243 854 429	0.33%
(a) Hedge fund	10%	0	0.00%
(i) Funds of hedge funds	10%	0	0.00%
(ii) Hedge funds	10%	0	0.00%
(b) Private equity funds	15%	243 854 429	0.33%
(i) Funds of private equity funds		0	0.00%
(ii) Private equity funds		243 854 429	0.33%
African Infrastructure Investment Fund 3	5%	228 638 542	0.31%
(c) Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2.5%	0	0.00%
TOTAL (Regulation 28) (D above)		74 862 849 280	100%

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28

For the period ended 31 March 2024

Investment summary (Regulation 28)

	Local R	Percentage of fair value %	Foreign R	Percentage of fair value %	Total R
1 Balances or deposits, money market instruments issued by a bank including Islamic liquidity management financial instruments	4 267 024 927	5.70%	860 168 590	1.15%	5 127 193 517
2 Debt instruments including Islamic debt instruments	13 186 035 721	17.61%	1 947 007 643	2.60%	15 133 043 364
3 Equities	24 198 661 474	32.32%	23 962 044 396	32.01%	48 160 705 870
4 Immovable property	1 453 157 620	1.94%	680 991 401	0.91%	2 134 149 021
5 Commodities	209 387 672	0.28%	87 963 799	0.12%	297 351 471
6 Investment in the business of a participating employer	0	0.00%			0
7 Housing loans granted to members - section 19(5)	0	0.00%			0
8 Hedge funds, private equity funds and any other assets not referred to in this schedule	3 766 551 608	5.03%	243 854 429	0.33%	4 010 406 037
9 Fair value of assets to be excluded in terms of sub-regulations 3(c) and (8)(b) of Regulation 28	0	0.00%	0	0.00%	0
10 Investments not disclosed or data not available for disclosure	0	0.00%	0	0.00%	0
TOTAL (equal to the fair value of assets)	47 080 819 022	62.89%	27 782 030 258	37.11%	74 862 849 280

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28

For the period ended 31 March 2024

Note: Maximum foreign limits and disclosure in terms of South African Reserve Bank requirements

Breaches in terms of sub-regulation 3 of Regulation 28

Description	Total (Inside and Foreign) R	Percentage of fair value %	Regulation 28 limits %
Asset limits in terms of sub-regulation 3(f)			
Other debt instruments not listed	836 625 659	1.12%	
Equities not listed	948 875 684	1.27%	
Immovable properties not listed	259 988 451	0.35%	
Hedge funds, private equity funds and other assets	4 010 406 037	5.36%	
TOTAL	6 055 895 831	8.09%	45%
Asset limits in terms of sub-regulation 3(g)			
Equities not listed	948 875 684	1.27%	
Private equity funds	632 454 002	0.84%	
TOTAL	1 581 329 686	2.11%	20%
Asset Limits in terms of Sub-regulation 3(h)			
Overall limit for all instruments per entity/issuer (local and or foreign) (excluding debt instruments issued by, and loans to, the government of Republic and any debt or loan guaranteed by the Republic)	2 739 627 811	3.66%	25%

Impact of changes in Regulation 28 on the annual financial statements

Regulation 28 under the Pension Funds Act was amended (Gazetted on 5 July 2022) to include additional reporting requirements in relation to infrastructure assets and amendments to the asset spreading requirements). The intention is that the draft Regulatory Reporting Standard (the Standard) will replace Board Notice 77, but the consultation process for the Annual Financial Statements (AFS) has not been finalised. The FSCA clarified in Communication 19 of 2023 released on 19 July 2023, (RF) paragraph 3.1, that since the Regulatory Reporting Standard has not yet been finalised, funds must continue to prepare annual financial statements in accordance with the requirements of Board Notice 77 (including the existing Schedule IB).

The revised Regulation 28 now includes Category 9 (Private equity), Category 10 (Other assets not referred to in this schedule and excluding a hedge fund or private equity fund) and Category 11 (Investments in Infrastructure) and a new Table 2 with reference to "Investments in Infrastructure", which has not been

SCHEDULE IB
ALEXANDER FORBES RETIREMENT FUND (PROVIDENT SECTION)

Registration number: 12/8/34766

Assets held in compliance with Regulation 28

For the period ended 31 March 2024

included in the current Regulation 28 disclosure in these financial statements. Accordingly, the current Regulation 28 disclosure does not comply with the revised Regulation 28 requirements (Gazetted on 5 July 2022).

Currently, in accordance FSCA Communication 19 of 2023 released on 19 July 2023 certain of the percentage limits have been amended and all investments are to be disclosed on a look through basis except for non-linked insurance policies where no look-through information is available from the investment administrators.

The Fund has complied with the requirements of the revised Regulation 28.