

# **ANNUAL REPORT - 2010**

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## **NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**

**31 MARCH 2010**

## ANNUAL REPORT

**NAME OF RETIREMENT FUND** : Natal Joint Municipal Pension Fund  
(Retirement)

**FINANCIAL SERVICES BOARD  
REGISTRATION NUMBER** : 12/8/6676/2

**SOUTH AFRICAN REVENUE  
SERVICES APPROVAL NUMBER** : 5538 699 843

**FOR THE PERIOD** : 1 April 2009 to 31 March 2010

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## **ANNUAL GENERAL MEETING**

The **ANNUAL GENERAL MEETING** of the General Committee of the Fund will be held at the Sinodale Centre, Pietermaritzburg, on Friday 25 February 2011. The attention of members of the Fund is drawn to Rule 17(b) of the joint Rules for the Management and Administration of the Natal Joint Municipal Pension/KwaZulu-Natal Joint Municipal Provident Funds, as amended, which provides that a copy of the Annual Report and Financial Statements shall be forwarded to each Municipality at least 45 days prior to the Annual General Meeting and to each member upon written request to the Fund. Any business that a Municipality or member desires to be discussed at such meeting shall be submitted in writing to the Director at least 30 days prior thereto.

**PIETERMARITZBURG**

A handwritten signature in black ink, consisting of a large, stylized capital 'C' followed by a horizontal line extending to the right.

**MR. S. CAMILLERI  
PRINCIPAL OFFICER**

## **SCHEDULE - A**

### **Item 1**

The following Annual Report and Financial Statements for the year ended 31 March 2010 are submitted by the Committee of Management in terms of the Rules for the Management and Administration of the Fund approved by the Premier of KwaZulu-Natal, and promulgated in Provincial Gazette No. 5148 dated 8 August 1996 under PN. 273, 1996.

### **REGULATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2010**

**Funds registered office (the Fund is a self-administered Fund)**

<b>Postal Address:</b>	<b>Physical Address:</b>
P.O. Box 890 Pietermaritzburg 3200	2 <sup>nd</sup> Floor Timpen 17 Timber Street Pietermaritzburg 3201

### **Financial reporting periods**

<b>Current Period:</b>	<b>Previous Period:</b>
1 April 2009 to 31 March 2010	1 April 2008 to 31 March 2009

### **Responsible persons in terms of section 8 of the Pensions Funds Act, 1956**

Principle Officer	: Mr. Sam Camilleri
Date Appointed	: 01.07.2007
Postal Address	: P.O. Box 890, Pietermaritzburg, 3200
Physical Address	: 2 <sup>nd</sup> Floor Timpen, 17 Timber Street, Pietermaritzburg, 3201
Telephone Number	: (033) 2641800
E-mail Address	: <a href="mailto:director@njmpf.co.za">director@njmpf.co.za</a>

**Board of Trustees****- Employer Representatives**

<b>Full Name</b>	<b>Date Appointed</b>	<b>Date Resigned</b>
Cllr. Mrs. Madlopha Celiwe Qhamkile	24.03.2006	-
Cllr. Mrs. Msibi Veronica Zanele (V.C.)	02.03.2001	-
Cllr. Mvelase Sipho Andrias	23.03.2001	-
Cllr Talmage Earl Andrew	23.07.2007	-
Cllr.Mrs. Shabalala N.V.	14.11.2008	-

**- Member Representatives**

<b>Full Name</b>	<b>Date Appointed</b>	<b>Date Resigned</b>
Mrs. Deku Dorothy Thandiwe	01.11.2007	-
Mr. Dube Xolani	30.11.2001	-
Mr. Madlala Dennis Mdeni	22.02.2008	-
Ms. Mngadi Thandi Barbara	01.07.2002	-
Mrs. Myeza Dombi Rosemary	06.02.2004	-

**- Pensioner Representative**

<b>Full Name</b>	<b>Date Appointed</b>	<b>Date Resigned</b>
Mr. Hoosen Abdul Rahaman	07.07.2008	-

**- Provincial Minister of Local Governments Representative**

<b>Full Name</b>	<b>Date Appointed</b>	<b>Date Resigned</b>
Mr. Owen Nhlonipho Mungwe	18.02.2005	05.02.2010 PENDING

## Professional Service Providers

### - Actuary/Valuator:

Full Name	:	Arthur Els & Associates Consulting Actuaries
Postal Address	:	Suite 163, Private Bag X11, Craighall, 2024
Physical Address	:	1 <sup>st</sup> Floor, Marlborough Gate, Hyde Lane, Hyde Park, 2196
Telephone Number	:	(011) 441 2700 - 2710
E-mail Address	:	<a href="mailto:info@arthurels.com">info@arthurels.com</a>

### - Auditors

#### ▪ Statutory Auditor:

Full Name	:	Auditor-General
Postal Address	:	Private Bag X9034, Pietermaritzburg, 3200
Physical Address	:	Redlands Estate, 1 George MacFarlane Ln, Wembley, 3201
Telephone Number	:	(033) 264 7400
E-mail Address	:	<a href="mailto:pmbrrha@agsa.co.za">pmbrrha@agsa.co.za</a>

#### ▪ Internal Auditor (appointed by Committee of Management):

Full Name	:	Deloitte & Touche Chartered Accountants (SA)
Postal Address	:	P.O. Box 243, Durban, 4000
Physical Address	:	Deloitte Place, 2 Pencarrow Crescent, Pencarrow Park, La Lucia Ridge Office Estate, La Lucia, 4051
Telephone Number	:	(031) 560 7000
E-mail Address	:	<a href="mailto:clientservicecentre@deloitte.co.za">clientservicecentre@deloitte.co.za</a>

### - Asset Consultants/Investment Advisor:

Full Name	:	Alexander Forbes Financial Services
Postal Address	:	P.O. Box 786029, Sandton, 2146
Physical Address	:	Alexander Forbes Place, 61 Katherine Street, Sandown, 2196
Telephone Number	:	(011) 269 0000
E-mail Address	:	<a href="http://www.alexanderforbes.com">www.alexanderforbes.com</a>
FAIS Number	:	1177

- **Custodian and Nominees:**

Full Name	: Nedbank Limited (Head Office) - Reg. No. 1951/000009/06
Postal Address	: P.O. Box 3212, Johannesburg, 2000
Physical Address	: 135 Rivonia Road, Sandton, 2196
Telephone Number	: (011) 294 3166
E-mail Address	: <a href="http://www.nedbank.co.za">www.nedbank.co.za</a>

- **Risk (Fidelity) Insurers:**

Full Name	: Camargue – Reg. No. 2000/028098/07
Postal Address	: Postnet Suite 250, Private Bag X4, Bedfordview, 2008
Physical Address	: 1 <sup>st</sup> Floor Eton House, 15 Eton Road, Parktown, Johannesburg
Telephone Number	: (011) 356 4845
E-mail Address	: <a href="mailto:camargue@camargueum.co.za">camargue@camargueum.co.za</a>
FSP Number	: 6344

The list of participating employers (Municipalities) and the list of participating employees are available at the Fund's offices if needed.

## **SCHEDULE - B**

**Item 2**

### **STATEMENT OF RESPONSIBILITY BY THE COMMITTEE OF MANAGEMENT**

The Committee of Management hereby certify to the best of its knowledge that, during the period under review, in the execution of its duties they:

- 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 Committee of Management; and
- ensured that proper internal control systems were employed by or on behalf of the Fund; and
- 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 Committee of Management; and
- took all reasonable steps to ensure that contributions were paid timeously to the Fund or reported where necessary in accordance with Section 13A and regulation 33 of the Pension Funds Act, 1956; and
- obtained expert advice on matters where they lacked sufficient expertise; and
- ensured that the regulations and the operation and administration of the Fund complied with the Pension Funds Act, 1956, the Financial Institutions (Protection of Funds) Act, 2000, and all other applicable laws, and
- confirm that, in respect of self-administered assets, the Fund is covered under a fidelity guarantee insurance policy. This cover is deemed adequate and in compliance with the regulations of the Fund. In respect of assets administered by the five Investment Managers, each Manager has procured Fidelity cover and/or Professional liability cover, by means of single policies, for amounts considered adequate to fulfill the requirements of the combined clientele of each individual Investment Manager. The Committee of Management is of the opinion that the existing fidelity cover maintained by the Fund and its Investment Managers is adequate in accordance with the above guidelines and policies; and
- confirm that the Investments of the Fund are in accordance with the investment strategy and policy and, as the Fund is a defined benefit Fund, individual investment choice do not apply.

#### **Key performance objectives**

The Long Term Investment Objectives of the Funds as approved by the Committee of Management are:

- To achieve a long-term real return of at least CPIX plus 4.5% net of investment fees over rolling five-year periods. This long term real rate of return is, in the Committee of Management considered opinion, the minimum required.
- In addition, the manager is expected to add returns of 2% a year in excess of that achieved from the passive benchmark portfolio, measured over rolling 5 year periods.

#### **Performance results**



**Performance results**

<b>Year</b>	<b>CPI + 4.5%</b>	<b>Retirement Fund % Return</b>
<b>5 years to 31<sup>st</sup> March 2010</b>	11,4	16,2

<b>Year</b>	<b>Retirement Fund % Return</b>	<b>Benchmark + 2%</b>
<b>5 years to 31st March 2010</b>	16,2	14,8

Source: Alexander Forbes

The Fund has achieved all investment objectives.

**Investigation in progress**

The Fund has requested Deloitte & Touche to undertake a forensic investigation. The investigation was initiated based on the identification by management of possible misappropriation of monies by a senior person responsible for the accounting function of the Fund. The investigation has resulted in criminal proceedings being instituted against the employee

## APPROVAL OF THE FINANCIAL STATEMENTS

The annual financial statements of the Fund are the responsibility of the Committee of Management. The Committee of Management 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, provide reasonable assurance that:

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

The annual financial statements have been prepared in accordance with:

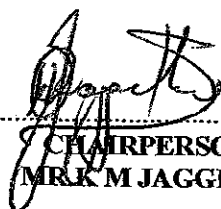
- generally accepted accounting practice in South Africa; and
- the rules / regulations of the Fund; and
- the provisions of the Pension Funds Act, 1956.

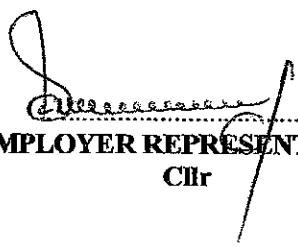
These financial statements have been reported on by the Auditor-General, who was given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Committee of Management believes that all representations made to the Auditor-General during their audit were valid and appropriate. The Auditor-General's audit report is presented in Annexure A.

These financial statements:

- were approved by the Committee of Management;
- are certified by them to the best of their knowledge to be true;
- fairly represent the net assets of the Fund at 31 March 2010 as well as the results of its activities for the period then ended; and
- are signed on the Committee of Management's behalf by:

DATE:	2	2	1	0	2	0	1	0
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CHAIRPERSON  
MR. M. JAGGETH

  
EMPLOYER REPRESENTATIVE  
Cllr

  
MEMBER REPRESENTATIVE

**SCHEDULE - C**

**Item 3**

**STATEMENT OF RESPONSIBILITY BY THE PRINCIPAL OFFICER**

I confirm that for the year under review the Fund has lodged with the Registrar of Pension Funds all such returns, statements, documents and any other information required in terms of the Pension Funds Act, 1956.

A handwritten signature in black ink, consisting of a large, stylized capital 'S' followed by a horizontal line and a small flourish.

**MR. S. CAMILLERI**  
**PRINCIPAL OFFICER**

## ***ANNEXURE A***

**SCHEDULE - D**

**Item 4**

**REPORT OF THE AUDITOR-GENERAL ON**

**THE ANNUAL FINANCIAL STATEMENTS**

**OF THE FUND FOR THE YEAR ENDED**

**31 MARCH 2010**

**REPORT OF THE AUDITOR-GENERAL TO THE BOARD OF TRUSTEES OF THE NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) AND THE REGISTRAR OF PENSION FUNDS ON THE FINANCIAL STATEMENTS OF THE NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) FOR THE YEAR ENDED 31 MARCH 2010**

**REPORT ON THE FINANCIAL STATEMENTS**

**Introduction**

I have audited the accompanying financial statements of the Natal Joint Municipal Pension Fund (Retirement), which comprise the statement of net assets and funds as at 31 March 2010, and the statement of changes in net assets and funds for the year then ended, and a summary of significant accounting policies and other explanatory information, and the report of the committee of management as set out in Schedule E and on pages 1 to 17 of Annexure B.

**The board of trustees' responsibility for the financial statements**

The board of trustees are responsible for the preparation of these financial statements in accordance with the basis of accounting applicable to retirement funds in South Africa as set out in Annexure B to the financial statements and in the manner required by the Pension Funds Act, 1956 (Act No. 24 of 1956) (PFA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances

**Auditor-General's responsibility**

As required by section 188 of the Constitution of South Africa, section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and section 15 of the Pensions Fund Act (Act No. 24 of 1956 as amended), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements of Natal Joint Municipal Pension Fund (Retirement) as at 31 March 2010 have been prepared, in all material respects, in accordance with the basis of accounting applicable to retirement funds in South Africa as set out in Annexure B of the financial statements and in the manner required by the Pension Fund Act.

**Emphasis of matter**

I draw attention to the matter below. My opinion is not modified in respect of these matters:

**Basis of accounting**

The fund's policy is to prepare financial statements in accordance with the basis of accounting applicable to retirement funds in South Africa as set out in Annexure B to the financial statements and in the manner required by the Pension Funds Act, 1956 (Act No. 24 of 1956) (PFA).

**Additional matters**

I draw attention to the matter below. My opinion is not modified in respect of these matters:

**Investigation in progress**

An independent consulting firm is conducting an investigation on the request of management of the entity, investigating allegations of possible misappropriation of monies by a senior official responsible for the accounting function of the entity. Criminal proceedings have commenced against the employee.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In terms of the PAA of South Africa and General notice 1570 of 2009, issued in Government Gazette No. 32758 of 27 November 2009 I include below my findings on the report on predetermined objectives, compliance with the Pension Fund Act and financial management (internal control).

**Findings****Predetermined objectives**

No matters to report.

**Compliance with laws and regulations**

No matters to report.

**INTERNAL CONTROL**

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the Pension Fund Act but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported are limited to the deficiencies identified during the audit.

No matters to report.

*Auditor General*

Pietermaritzburg

15 October 2010



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*



## **SCHEDULE - E**

**Item 5**

### **REPORT OF THE COMMITTEE OF MANAGEMENT**

#### **Description of the fund:**

In terms of Section 1 of the Income Tax Act, 1962, the Fund is classified as a Pension Fund (defined benefit).

The Retirement Fund was established in 1967 as a defined contribution fund and was subsequently converted into a defined benefit fund in 1975, at which time the payment of lump sums and monthly pensions commenced upon the early retirement of members at age 55 to normal retirement at age 65, and to spouses upon the death of members, subject to the provisions of the Regulations, calculated on salary and service.

The Funds Rules & Regulations are available at the employer's offices, the Fund's offices and on the Fund's webpage ([www.njmpf.co.za](http://www.njmpf.co.za)).

The strategy of the Committee of Management relative to unclaimed benefits is to endeavour to trace beneficiaries and thus effect payment of unclaimed benefits. The Fund has maintained complete records, as prescribed, in respect of unclaimed benefits.

With regards to contributions, members contribute at a rate of 7,00% of their pensionable emoluments in terms of regulation 15 whilst participating employers contribute at a rate of 13,65% of members' pensionable emoluments in terms of regulation 18(1)(b) together with a surcharge of 12% of members' pensionable emoluments.

#### **Investment strategy:**

The primary objective of the Fund is to ensure that full benefits in accordance with the regulations of the Fund can be paid as and when they arise. It is provided in the Fund's regulations that pension increases must also keep up with a minimum of 75% of the cumulative increase in the consumer price index.

The broad investment objective is to invest in appropriate asset types that will deliver returns over a rolling five-year periods (after tax and investment manager fees) of CPIX plus 4,5%. The Domestic Investment Managers are expected to produce a return of at least 2% per annum above their Benchmark net of fees, over rolling three-year periods. The Fund's International Investment Managers' are expected to produce a return of at least 1,5% per annum in excess of the equity component of the Benchmark. On the Absolute Return Fund component, the return should be at least equal to the return on LIBOR, net of fees, over rolling three-year periods.

The Committee of Management has appointed Investment Managers to invest the Fund's assets and meet the investment objectives set out in the Investment Policy Statement (which is available for inspection at the Fund's offices) and has also appointed Alexander Forbes as the investment consultant to report back on performance and ensure manager compliance with the mandate. The Committee of Management meets monthly to monitor the asset allocation, investment performance and compliance.

The Investment Manager must at all times adhere to the limits set out in Regulation 28 of the Pension Funds Act.

There are no investments held in Municipalities which participate in the Fund, nor any loans to members.

**Assets under Management**  
**Domestic Assets**

<b>MANAGER</b>	<b>VALUE OF ASSETS R</b>	
	<b>2010</b>	<b>2009</b>
ALLAN GRAY LIMITED	621 556 955.81	504 051 070.26
CORONATION FUND MANAGERS	509 901 873.83	380 600 437.01
PRUDENTIALPORTFOLIO MANAGERS	481 761 558.76	369 173 864.84
NJMPF (R)	311 719.91	7 464 000.00
<b>Total value of domestic investments managed</b>	<b>1 613 532 108.31</b>	<b>1 261 289 372.11</b>

**International Assets**

<b>MANAGER</b>	<b>VALUE OF ASSETS R</b>	
	<b>2010</b>	<b>2009</b>
ALLAN GRAY LIMITED	25 206 571.89	21 782 414.00
CORONATION FUND MANAGERS	11 224 492.12	10 177 627.93
PRUDENTIALPORTFOLIO MANAGERS	8 820 392.44	8 671 638.10
RUSSELL INVESTMENT GROUP	66 106 250.43	54 897 123.63
ORBIS INVESTMENT MANAGEMENT	138 903 938.16	115 432 773.00
<b>Total value of international investments managed</b>	<b>250 261 645.04</b>	<b>210 961 576.66</b>

## Membership Statistics

### - Contributing Members

#### Contributing Members

Membership of the Fund decreased by 7.18% to a total of 4008 during the year as reflected hereunder:

		2010	2009
<b>Membership as at 1 April 2009</b>		<b>4 318</b>	<b>4 659</b>
<b>Admissions</b>		<b>4</b>	<b>990</b>
Transfer	External	-	-
	Internal	1	962
	External Fund – In		13
Re-admission		-	-
New Members		3	15
<b>Exits</b>		<b>314</b>	<b>1 331</b>
Retirement	At pension/optional retirement age	40	41
	Early	51	39
Ill-health	(at least 10 years service)	24	41
	(less than 10 years service)	2	5
Retrenchment	(at least 10 years service)	-	-
	(less than 10 years service)	-	-
<b>Death</b>		<b>122</b>	<b>153</b>
<b>Resignation</b>		<b>31</b>	<b>22</b>
<b>Dismissal</b>		<b>12</b>	<b>21</b>
Transfer	Internal	1	962
	External	8	2
	External to – Super Fund	8	23
	Provident	14	17
<b>Deferred Beneficiary</b>		<b>-</b>	<b>-</b>
<b>Other</b>		<b>1</b>	<b>5</b>
<b>Membership as at 31 March 2010</b>		<b>4 008</b>	<b>4 318</b>

**- Pensioners/Dependant Beneficiaries**

The number of pensioners and dependant beneficiaries decreased by 0.13% to a total of 3866 during the year as reflected hereunder:

	PENSIONERS ORDINARY			DEPENDANT BENEFICIARIES
		Pensioners Ordinary	* Other	Widows
At beginning of year		1269	60	2542
Additions		420	0	689
Exits		453	3	658
At end of year		1 236	57	2573

\* Refers to those benefits which are payable by an employer, until such time as the person concerned attains the pension age.

**- Deferred Pensioners**

	Number
At beginning of year	5
Additions	-
Exits	-
At end of year	5

- **Unclaimed Benefits**

	<b>Amount R</b>
At beginning of year	2 123 691.90
Unclaimed benefits received	4 275 613.15
Less: Unclaimed benefits paid	1 463 244.10
Forfeited to the Fund	-
<b>At end of year</b>	<b>4 936 060.95</b>

- **Actuarial Report**

Please refer to attached Actuarial Report for the Retirement Fund as at 31 March 2010.

- **Surplus Apportionment**

There was no surplus available for distribution at the surplus apportionment date (31 March 2003). Future surpluses as may be disclosed are for the account of the employers and may be used by them at their discretion for any of the purposes set out in Section 15E of the Pension Funds Act, 1956.

- **Subsequent Events**

At the Annual General Meeting in November 2008, it was unanimously approved to merge the Natal Joint Municipal Pension Fund (Superannuation Fund) and the Natal Joint Municipal Pension Fund (Retirement). The reason for the merger is to remove historical discrimination in benefits.

The MEC for KZN Co-operative Governance and Traditional Affairs has signed the approval of the merger on the 2nd February 2010 and we are hopeful that the necessary amendments to the legislation and promulgation will occur by the 1st April 2011.

## ***ANNEXURE B***

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**STATEMENT OF NET ASSETS AND FUNDS FOR THE YEAR ENDED 31/03/2010**

	NOTES	2010 R	2009 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>		<b>1,863,793,753.35</b>	<b>1,472,250,948.77</b>
PROPERTY PLANT AND EQUIPMENT	1	0.00	0.00
INVESTMENTS	2	1,863,793,753.35	1,472,250,948.77
HOUSING FACILITIES	3	0.00	0.00
SURPLUS IMPROPERLY UTILISED RECEIVABLE	22	0.00	0.00
<b>CURRENT ASSETS</b>		<b>19,430,237.98</b>	<b>13,965,697.11</b>
TRANSFERS RECEIVABLE	5	0.00	87,489.43
ACCOUNTS RECEIVABLE	4	1,083,982.01	6,378,109.90
CONTRIBUTIONS RECEIVABLE	12	9,392,036.19	7,858,096.65
CASH AT BANK	24	8,954,219.78	( 357,998.87 )
SURPLUS IMPROPERLY UTILISED RECEIVABLE	22	0.00	0.00
<b>TOTAL ASSETS</b>		<b>1,883,223,991.33</b>	<b>1,486,216,645.88</b>
<b>FUNDS AND LIABILITIES</b>			
<b>MEMBERS' FUNDS AND SURPLUS ACCOUNT</b>		<b>1,835,989,960.86</b>	<b>1,457,305,679.86</b>
ACCUMULATED FUNDS		1,835,989,960.86	1,457,305,679.86
AMOUNTS TO BE ALLOCATED	23	0.00	0.00
MEMBERS SURPLUS ACCOUNT	21	0.00	0.00
<b>RESERVES</b>			
RESERVE ACCOUNTS	21	0.00	0.00
REVALUATION RESERVE: PROPERTY, PLANT & EQUIPMENT	6	0.00	0.00
<b>TOTAL FUNDS AND RESERVES</b>		<b>1,835,989,960.86</b>	<b>1,457,305,679.86</b>
<b>NON-CURRENT LIABILITIES</b>		<b>6,479,094.46</b>	<b>3,689,647.57</b>
EMPLOYER SURPLUS ACCOUNTS	21	0.00	0.00
FINANCIAL LIABILITIES	16.1	0.00	0.00
PROVISIONS	16.2	1,543,033.51	1,565,955.67
UNCLAIMED BENEFITS	9	4,936,060.95	2,123,691.90
<b>CURRENT LIABILITIES</b>		<b>40,754,936.01</b>	<b>25,221,318.45</b>
TRANSFERS PAYABLE	7	6,189,359.42	6,412,128.05
BENEFITS PAYABLE	8	23,850,495.56	16,355,634.71
ACCOUNTS PAYABLE	10	10,715,081.03	3,416,492.03
RETIREMENT FUND TAXATION	11	0.00	( 962,936.34 )
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>1,883,223,991.33</b>	<b>1,486,216,645.88</b>

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**STATEMENT OF CHANGES IN NET ASSETS AND FUNDS FOR THE YEAR ENDED 31/03/2010**

	NOTES	2010 R	2009 R
CONTRIBUTIONS RECEIVED AND ACCRUED	12	117,308,725.13	111,127,732.56
CONTRIBUTIONS TRANSFERRED FROM RESERVE A/C'S	21	0.00	0.00
CONTRIBUTIONS TRANSFERRED FROM SURPLUS A/C'S	21	0.00	0.00
SURPLUS IMPROPERLY UTILISED	22	0.00	0.00
REINSURANCE PROCEEDS		0.00	0.00
NET INVESTMENT INCOME	13	381,439,028.22	(126,857,997.69)
(LESS) ALLOCATED TO UNCLAIMED BENEFITS		0.00	0.00
OTHER INCOME		0.00	0.00
LESS:		6,470,118.73	6,307,840.91
REINSURANCE PREMIUMS		0.00	0.00
ADMINISTRATION EXPENSES	14	7,114,474.94	7,016,843.86
RETIREMENT FUND TAXATION	11	(644,356.21)	(709,002.95)
NET INCOME BEFORE BENEFITS AND TRANSFERS		492,277,634.62	(22,038,106.04)
TRANSFERS AND BENEFITS		113,593,353.62	91,116,718.35
TRANSFERS FROM OTHER FUNDS	5	9,576.50	601,979.12
TRANSFERS TO OTHER FUNDS	7	11,531,112.59	11,181,927.70
BENEFITS - CURRENT MEMBERS	8	102,071,817.53	80,536,769.77
NET INCOME AFTER BENEFITS AND TRANSFERS		378,684,281.00	(113,154,824.39)
FUNDS AND RESERVES		1,457,305,679.86	1,570,460,504.25
BALANCE AT BEGINNING OF PERIOD		1,457,305,679.86	1,571,703,128.87
PRIOR-YEAR ADJUSTMENTS		0.00	0.00
OTHER	9	0.00	(1,242,624.62)
TRANSFER BETWEEN RESERVE ACCOUNTS	21	0.00	0.00
INVESTMENT INCOME ALLOCATED		0.00	0.00
CURRENT MEMBERS		0.00	0.00
FORMER MEMBERS		0.00	0.00
SURPLUS AND RESERVE ACCOUNTS	21	0.00	0.00
SURPLUS APPORTIONMENT	21	0.00	0.00
REVALUATION SURPLUS: PROP, PLANT & EQUIPMENT	6	0.00	0.00
TRANSFER BETWEEN RESERVE ACCOUNTS		0.00	0.00
EMPLOYER SURPLUS ACCOUNT		0.00	0.00
MEMBER SURPLUS ACCOUNT		0.00	0.00
ALLOCATION TO/FROM SURPLUS ACCOUNTS		0.00	0.00
BENEFITS TO FORMER MEMBERS		0.00	0.00
SURPLUS TRANSFERS PAYMENTS		0.00	0.00
BENEFITS ENHANCEMENTS - OTHER		0.00	0.00
SURPLUS TRANSFERS RECEIVED		0.00	0.00
BALANCE AT END OF PERIOD		1,835,989,960.86	1,457,305,679.86



**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**PRINCIPAL ACCOUNTING POLICIES**

The following are the principal accounting policies used by the Fund, which are consistent with those of the previous year.

**Basis of preparation**

The financial statements are prepared for regulatory purposes in accordance with the Regulations to the Pension Funds Act. The Regulations require the basis of accounting applied by the pension funds comprise of general adherence to Generally Accepted Accounting Practice as applied to retirement funds in South Africa, except for the following requirements applicable to the :

- \* Disclosure of cash flow information.
- \* Disclosure of prior year adjustment.
- \* Presentation of consolidated financial statements in which investments in subsidiaries are consolidated in accordance with the standard on consolidated and separate financial statements.

The financial statements are prepared on the historical cost and going concern basis, modified by the valuation of financial instruments and investment properties to fair value, and the revaluation of property, plant and equipment to market value.

**Property, plant and equipment**

- \* All property and equipment is initially recorded at cost. Land and buildings are subsequently shown at market value, based on annual valuations by external independent valuers.
  - \* Decreases that offset previous increases of the same asset are charged to the income statement.
  - \* Depreciation is calculated on the straight-line method to write off the cost of each asset, or the revalued amounts, to their residual values over the estimated useful life as follows:
    - \* Computer equipment and software 5 years
    - \* Office equipment 5 years
    - \* Furniture & fittings 10 years
- The useful life of existing assets has been further extended to September 2012 when the lease on the current premises expires.
- \* Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (i.e. impairment losses are recognised).
  - \* Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining the net surplus or deficit.
  - \* Maintenance and repairs, which neither materially add to the value of assets nor appreciably prolong their useful lives, are charged against income.

**Financial Instruments**

- \* Recognition
  - \* Financial instruments carried on the statement of net assets and funds include cash and bank balances, investments, receivables and trade creditors.
  - \* Financial instruments are initially measured at cost as of trade date, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:
- \* Measurement
  - \* Held to maturity investments are measured at amortised cost using effective interest rates. Available for sale and held for trading investments are measured at fair value. The fair value of marketable securities is calculated by reference to the applicable Stock Exchange quoted selling prices at the close of business on the statement of funds and net assets date. Units in unit trusts are valued at the repurchase price.

**Investment property**

- \* Investment properties are held to earn rental income and appreciate capital value.
- \* Investment properties are accounted for at fair market value determined annually by an external independent professional valuer. Fair value adjustments are included in the net surplus or deficit for the period. Investment properties are not subject to depreciation.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**Accounts receivable**

- \* Accounts receivable originated by the Fund is stated at cost.

**Cash and cash equivalents**

- \* Cash and cash equivalents are measured at fair value.

**Accounts payable**

- \* Accounts payable are recognised at cost, namely original debt less principal payments.

**Provisions**

- \* Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the effect of discounting to present value is material, provisions are adjusted to reflect the time value of money.

**Contributions**

- \* Contributions are brought to account on the accrual basis.

**Dividend income, interest and rentals**

- \* Interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the fund.
- \* Dividends are recognised when entitlement to revenue is established.
- \* Rental income is recognised on a straight-line basis over the lease term.
- \* Gains and losses on subsequent measurement to fair value of investments and of all other financial instruments are recognised in the net investment income during the period in which the change arises.
- \* All income derived from script lending is included in the net investment income note.

**Transfers to and from the Fund**

- \* Section 14 transfers to or from the Fund are recognised on approval being granted by the Financial Services Board. Individual transfers are recognised when the individual member's transfer is received or paid.

**Comparatives**

- \* Where necessary, comparative figures have been reclassified to conform to changes in presentation.

**Foreign transactions policy**

- \* In preparing the annual financial statements of the Fund, transactions in currencies other than the Fund's functional currency which is SA Rands, (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of net assets and funds date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the statement of net assets and funds date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
- \* Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the statement of changes in net assets and funds for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010

1. PROPERTY, PLANT AND EQUIPMENT  
 1.1 CURRENT YEAR

	COMPUTER EQUIPMENT AND SOFTWARE R	OFFICE EQUIPMENT R	FURNITURE & FITTINGS R	TOTAL R
AT 01/04/2009				
GROSS CARRYING AMOUNT AT BEGINNING OF PERIOD	0.00	0.00	0.00	0.00
ADDITIONS	0.00	0.00	0.00	0.00
DISPOSALS	0.00	0.00	0.00	0.00
REVALUATION RESERVE	0.00	0.00	0.00	0.00
OTHER MOVEMENTS	0.00	0.00	0.00	0.00
AT 31/03/2010	0.00	0.00	0.00	0.00
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES				
AT 01/04/2009				
DEPRECIATION CHARGES	0.00	0.00	0.00	0.00
ACCUMULATED DEPRECIATION ON DISPOSALS	0.00	0.00	0.00	0.00
IMPAIRMENT WRITE DOWN	0.00	0.00	0.00	0.00
OTHER MOVEMENTS	0.00	0.00	0.00	0.00
NET CARRYING AMOUNT 31/03/2010	0.00	0.00	0.00	0.00

1.2 PREVIOUS YEAR

	COMPUTER EQUIPMENT AND SOFTWARE R	OFFICE EQUIPMENT R	FURNITURE & FITTINGS R	TOTAL R
AT 01/04/2008				
GROSS CARRYING AMOUNT AT BEGINNING OF PERIOD	0.00	0.00	0.00	0.00
ADDITIONS	0.00	0.00	0.00	0.00
DISPOSALS	0.00	0.00	0.00	0.00
REVALUATION RESERVE	0.00	0.00	0.00	0.00
OTHER MOVEMENTS	0.00	0.00	0.00	0.00
AT 31/03/2009	0.00	0.00	0.00	0.00
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES				
AT 01/04/2008				
DEPRECIATION CHARGES	0.00	0.00	0.00	0.00
ACCUMULATED DEPRECIATION ON DISPOSALS	0.00	0.00	0.00	0.00
IMPAIRMENT WRITE DOWN	0.00	0.00	0.00	0.00
OTHER MOVEMENTS	0.00	0.00	0.00	0.00
NET CARRYING AMOUNT 31/03/2009	0.00	0.00	0.00	0.00

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) ( REF. NO. 12/8/6676/2)  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010

2. INVESTMENTS

	NOTES	TOTAL LOCAL		TOTAL FOREIGN		FAIR VALUE 2010		FAIR VALUE 2009		CATEGORIZED PER AC133	
		R	R	R	R	R	R	R	R	R	R
CASH AND DEPOSITS		245,300,712.58				245,300,712.58		207,945,706.06		A	A
KRUGER RANDS		0.00				0.00		0.00		A	A
LOANS OTHER THAN HOUSING		0.00				0.00		0.00		A	A
DEBENTURES		0.00				0.00		0.00		A	A
BILLS BONDS AND SECURITIES		319,798,003.94				319,798,003.94		140,537,796.00		A	A
INVESTMENT PROPERTIES		0.00				0.00		0.00		A	A
EQUITIES		891,351,379.54		44,577,047.20		935,928,426.74		822,667,219.80		A	A
EQUITIES WITH PRIMARY LISTING ON JSE		662,008,805.56				662,008,805.56		629,889,878.12		A	A
EQUITIES WITH SECONDARY LISTING ON JSE		229,342,573.98				229,342,573.98		151,930,301.65		A	A
FOREIGN LISTED EQUITIES				44,577,047.20		44,577,047.20		40,631,680.03		A	A
EQUITY INDEXED LINKED INVESTMENTS		0.00				0.00		0.00		A	A
UNLISTED EQUITIES		0.00				0.00		215,360.00		A	A
PREFERENCE SHARES		0.00				0.00		1,907,748.28		A	A
INSURANCE POLICIES		0.00				0.00		68,948,559.20		A	A
NON LINKED RELATED POLICIES		0.00				0.00		0.00		A	A
LINKED RELATED POLICIES		0.00				0.00		68,948,559.20		A	A
COLLECTIVE INVESTMENT SCHEMES		157,756,421.87		66,106,250.43		223,862,672.30		220,864,759.43		A	A
DERIVATIVE MARKET INSTRUMENTS		0.00				0.00		9,379,160.00		A	A
PARTICIPATING MORTGAGE BONDS		0.00				0.00		0.00		A	A
INVESTMENT IN PARTICIPATING		0.00				0.00		0.00		A	A
OTHER		0.00		138,903,937.79		138,903,937.79		0.00		A	A
TOTAL LOCAL AND FOREIGN		1,614,206,517.93		249,587,235.42		1,863,793,753.35		1,472,250,948.77		A	A

A - Held for trading - Fair Value (IAS39 - At fair value through profit and loss )

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**3. HOUSING FACILITIES**

**3.1 GUARANTEE FOR HOUSING FACILITIES**

- The fund has granted guarantees to First National, Standard and Ithala Banks for loans granted to members.
- The amount of the guarantee may not exceed 50% of the cash benefit that a member would receive if he or she had to terminate membership to the fund voluntarily.

**4. ACCOUNTS RECEIVABLE**

	2010 R	2009 R
ACCRUED INTEREST /DIVIDENDS	0.00	5,514,147.06
INTEREST	805.48	167,204.86
L.A. - ANNUITY REFUNDS	( 36,052.21 )	106,961.93
L.A. - MEDICAL BOARD FEES	24,575.22	24,801.41
L.A. - PENALTY INTEREST DUE	19,123.84	10,602.47
L.A. - SURCHARGES	0.00	74,996.00
SUNDRY DEBTORS	749,463.24	286,781.52
PENSIONS - REFUNDS OF OVER PAYMENTS	323,130.37	176,243.87
PREPAID FUND MANAGERS FEES	0.00	9,774.95
PENSIONABLE SERVICE DEBTORS	2,936.07	6,595.83
<b>TOTAL</b>	<b>1,083,982.01</b>	<b>6,378,109.90</b>

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010

5. TRANSFERS FROM OTHER FUNDS

EFFECT DATE	NO OF MEMBERS	APPLIED FOR NOT YET APPROVED	AT BEGINNING OF PERIOD	AMOUNTS RAISED AT END OF PERIOD	RETURN ON TRANSFERS	ASSETS TRANSFERRED	AT END OF PERIOD
Apr-09	0	0.00	87,489.43	0.00	9,576.50	97,065.93	0.00
To	0	0.00	0.00	0.00	0.00	0.00	0.00
Mar-10	0	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>	<b>87,489.43</b>	<b>0.00</b>	<b>9,576.50</b>	<b>97,065.93</b>	<b>0.00</b>

6. REVALUATION RESERVE - PROPERTY, PLANT AND EQUIPMENT

	CURRENT YEAR		PREVIOUS YEAR	
AT BEGINNING OF PERIOD	0.00		0.00	
REVALUATION	0.00		0.00	
IMPAIRMENTS	0.00		0.00	
TRANSFER TO STATEMENT OF CHANGES IN NET ASSETS AND FUNDS	0.00		0.00	
AT END OF PERIOD	0.00		0.00	

7. TRANSFERS TO OTHER FUNDS

EFFECT DATE	NO OF MEMBERS	APPLIED FOR NOT YET APPROVED	AT BEGINNING OF PERIOD	AMOUNTS RAISED AT END OF PERIOD	RETURN ON TRANSFERS	ASSETS TRANSFERRED	AT END OF PERIOD
Apr-09	14	175,955.86	5,886,992.94	1,482,620.66	4,659,207.07	7,041,051.64	4,987,769.03
To	8	161,256.17	48,263.15	1,977,657.30	284,678.82	2,101,079.96	209,519.31
Mar-10	8	515,199.13	476,871.95	2,759,674.17	367,274.57	2,611,749.61	992,071.08
<b>TOTAL</b>	<b>30</b>	<b>852,411.16</b>	<b>6,412,128.04</b>	<b>6,219,952.13</b>	<b>5,311,160.46</b>	<b>11,753,881.21</b>	<b>6,189,359.42</b>

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010

8. BENEFITS  
8.1 BENEFITS - CURRENT MEMBERS

	A	B	C	D	E	A+B+C+D+E
	AT BEGINNING OF PERIOD R	BENEFITS FOR CURRENT PERIOD R	RETURN ALLOCATED R	PAYMENTS R	TRF'D TO UNCLAIMED BENEFITS R	AT END OF PERIOD R
MONTHLY PENSION	0.00	64,497,106.82	0.00	64,497,106.82	0.00	0.00
LUMP SUM ON RETIREMENT	2,014,254.67	9,542,812.57	211,102.34	7,465,262.50	244,389.20	19,791,977.68
- FULL BENEFIT	2,014,254.67	9,542,812.57	211,102.34	7,465,262.50	244,389.20	4,058,517.88
- PENSIONS COMMUTED	0.00	0.00	0.00	0.00	0.00	0.00
LUMP SUM BEFORE RETIREMENT	13,879,743.82	24,341,302.04	3,449,595.48	20,375,491.77	2,567,725.25	18,727,424.32
- DISABILITY BENEFITS PAID BY THE FUND	0.00	0.00	0.00	0.00	0.00	0.00
- DEATH BENEFITS	10,576,068.67	18,508,366.95	3,098,898.16	15,003,488.75	2,226,258.82	14,953,586.21
- WITHDRAWALS 10 YEARS OR MORE	3,111,685.70	5,728,763.09	331,048.93	5,112,003.52	385,882.97	3,673,611.23
- WITHDRAWALS < 10 YEARS	191,989.45	104,172.00	19,648.39	259,999.50	(44,416.54)	100,226.88
- RETRENCHMENTS	0.00	0.00	0.00	0.00	0.00	0.00
DEFAULTS - HOUSING FACILITIES	0.00	0.00	0.00	0.00	0.00	0.00
OTHER - DIVORCE ORDERS	0.00	29,898.28	0.00	29,898.28	0.00	0.00
- ADJUSTMENTS STALE CHEQ.	461,636.30	0.00	0.00	(603,171.67)	254.61	1,064,553.36
TOTAL	16,355,634.79	98,411,119.71	3,660,697.82	92,470,283.83	2,812,369.06	23,850,495.56

BENEFITS FOR CURRENT PERIOD (B) INCLUDING RETURN ALLOCATED (C) 98,411,119.71

RETURN ALLOCATED (C) TO INVESTMENT INCOME 3,660,697.82

STATEMENT OF CHANGES IN NET ASSETS AND FUNDS

102,071,817.53

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**9 UNCLAIMED BENEFITS**

	2010 R	2009 R
BALANCE AT BEGINNING OF PERIOD	2,123,691.90	638,230.23
TRANSFERRED FROM BENEFITS PAYABLE & ACC. FUNDS	4,275,613.15	2,728,086.29
INVESTMENT INCOME ALLOCATED	0.00	0.00
LESS:	1,463,244.10	1,242,624.62
TRACING EXPENSES	0.00	0.00
ADMINISTRATION EXPENSES	0.00	0.00
FORFEITED TO THE FUND	0.00	0.00
BENEFITS PAID	1,463,244.10	1,242,624.62
BALANCE AT END OF PERIOD	4,936,060.95	2,123,691.90

**10. ACCOUNTS PAYABLE**

	2010 R	2009 R
ACTUARY'S FEES	52,868.64	0.00
MINIMUM LEASE PAYMENT	24,916.48	36,241.52
CONTRIBUTIONS PAID IN ADVANCE	2,078,131.69	1,998,462.09
CONTRIBUTIONS DUE FOR REFUND	359,736.71	359,736.71
AUDIT FEES	13,452.00	
INTEREST / DIVIDENDS	0.00	48,681.41
ADMIN EXPENSES AS PER MEMBERS RATIO	302,139.14	898,935.33
OPERATING EXPENSES	0.00	74,434.97
PENSIONERS - MEMBER PAYMENTS & TAX DEDUCTIONS	6,165,041.31	0.00
SUNDRY CREDITORS	1,600,981.44	0.00
UNPAID PENSIONS	117,813.62	0.00
TOTAL	10,715,081.03	3,416,492.03

**11. RETIREMENT FUND TAXATION**

	2010 R	2009 R
TAXABLE INCOME	0.00	0.00
LESS: FORMULA REDUCTION	0.00	0.00
RETIREMENT FUND TAXABLE AMOUNT	0.00	0.00
RETIREMENT FUND TAXATION AT RELEVANT RATE	0.00	0.00
AT BEGINNING OF PERIOD	(962,936.34)	(253,933.39)
RET. FUND TAXATION - CURRENT	(644,356.21)	(709,002.95)
RET. FUND TAXATION - PRIOR YEAR UNDERPROVISION	0.00	0.00
RETIREMENT FUND TAXATION PAID	(1,607,292.55)	0.00
AT END OF PERIOD	0.00	(962,936.34)



NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010

12. CONTRIBUTIONS

	A AT BEGINNING OF PERIOD R	B CONTRIBUTIONS TOWARDS RETIREMENT R	C TOWARDS RE- INSURANCE AND EXPENSES R	D CONTRIBUTIONS RECEIVED R	A+B+C-D AT END OF PERIOD R
MEMBERS CONTRIBUTIONS - RECEIVED AND ACCURED	1,367,486.74	22,483,344.17	0.00	22,104,635.60	1,746,195.31
EMPLOYER CONTRIBUTIONS - RECEIVED AND ACCURED	3,259,533.89	43,819,171.36	0.00	43,673,624.40	3,405,080.85
EMPLOYER CONTR. - RECEIVED AND ACCURED - RISK RESERVE	0.00	0.00	0.00	0.00	0.00
ADDITIONAL CONTRIBUTION IN RESPECT OF ACTUARIAL SHORTFALL - MEMBERS	310,668.03	4,961,806.06	0.00	4,860,870.91	411,603.18
ADDITIONAL CONTRIBUTION IN RESPECT OF ACTUARIAL SHORTFALL - EMPLOYER	2,920,407.99	46,044,403.54	0.00	45,135,654.58	3,829,156.85
ADDITIONAL CONTRIBUTION - INCREASES	0.00	0.00	0.00	0.00	0.00
ADDITIONAL VOLUNTARY CONTRIBUTION - EMPLOYERS	0.00	0.00	0.00	0.00	0.00
ADDITIONAL VOLUNTARY CONTRIBUTION - MEMBERS	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>7,858,096.65</b>	<b>117,308,725.13</b>	<b>0.00</b>	<b>115,774,785.59</b>	<b>9,392,036.19</b>

TOWARDS RETIREMENT

117,308,725.13

TOWARD RE-INSURANCE AND EXPENSES

0.00

STATEMENT OF CHANGES IN NET ASSETS  
AND FUNDS

117,308,725.13

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**13. NET INVESTMENT INCOME**

	2010 R	2009 R
<b>INCOME FROM INVESTMENT PROPERTY AND INVESTMENTS</b>	<b>73,000,131.56</b>	<b>99,479,698.72</b>
DIVIDENDS	31,261,019.89	44,637,439.13
INTEREST	41,739,111.67	54,842,259.59
RENTALS	0.00	0.00
COLLECTIVE INVESTMENT SCHEMES DISTRIBUTION	0.00	0.00
MARKET RELATED INSURANCE POLICIES	0.00	0.00
<b>INTEREST ON LATE PAYMENT OF CONTRIBUTIONS</b>	<b>19,587.97</b>	<b>14,825.41</b>
<b>INTEREST LEVIED ON SURPLUS IMPROPERLY USED</b>	<b>0.00</b>	<b>0.00</b>
<b>ADJUSTMENT TO FAIR VALUE</b>	<b>317,357,680.53</b>	<b>( 217,916,207.74 )</b>
PROFIT /(LOSS) ON SALES OF INVESTMENTS	64,116,489.84	25,064,343.81
INVESTMENTS WRITTEN UP/(DOWN)	253,241,190.69	( 242,980,551.55 )
ADJUSTMENTS	0.00	0.00
<b>SUB TOTAL</b>	<b>390,377,400.06</b>	<b>( 118,421,683.61 )</b>
<b>LESS:</b>	<b>8,938,371.84</b>	<b>8,436,314.08</b>
COST INCURRED IN MANAGING INVESTMENTS	8,938,371.84	8,436,314.08
INTEREST PAID ON BORROWINGS	0.00	0.00
<b>TOTAL</b>	<b>381,439,028.22</b>	<b>( 126,857,997.69 )</b>

**14. ADMINISTRATION EXPENSES**

	NOTES	2010 R	2009 R
<b>COST OF ADMINISTRATION</b>		<b>4,748,491.94</b>	<b>4,714,108.80</b>
ADMINISTRATION EXPENSES		942,848.67	868,278.47
AMOUNTS WRITTEN OFF		0.00	0.00
DEPRECIATION - AT COST		0.00	0.00
LEVIES ( FINANCIAL SERVICES BOARD )		123,664.00	84,737.80
OFFICE EXPENSES		497,386.24	649,360.19
OPERATING LEASE PAYMENTS		359,989.18	349,753.73
PENALTIES		0.00	0.00
PROJECT COSTS - NEW IT PLATFORM		430,434.77	450,337.52
STAFF COSTS & PRINCIPAL OFFICER EXPENSES	14.2	2,394,169.08	2,311,641.09
SECRETARIAL FEES			
<b>NON-ADMINISTRATIVE EXPENSES</b>		<b>2,365,983.00</b>	<b>2,302,735.06</b>
ACTUARY'S FEES		874,903.00	981,171.59
AUDIT FEES		226,996.29	412,070.28
AUDIT SERVICES		226,996.29	412,070.28
AUDIT EXPENSES		0.00	0.00
OTHER		0.00	0.00
CONSULTANCY FEES		417,554.90	279,899.51
FEES PAYABLE TO BOARD MEMBERS	14.1	243,002.74	310,360.60
FIDELITY COVER		38,125.00	37,515.01
MEMBER COMMUNICATION		565,401.07	281,718.07
MAILINGS FOR MEMBERS		310,550.58	211,424.58
MEETING COSTS /TRUSTEE TRAINING		254,850.49	70,293.49
<b>TOTAL</b>		<b>7,114,474.94</b>	<b>7,016,843.86</b>

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**14.1 FEES PAYABLE TO BOARD MEMBERS**

	2010 R	2009 R
REIMBURSIVE MEETING ALLOWANCE	243,002.74	310,360.60
<b>TOTAL</b>	<b>243,002.74</b>	<b>310,360.60</b>

**14.2. STAFF COSTS & PRINCIPAL OFFICER EXPENSES ( NOTE 14.2.1 )**

	2010 R	2009 R
SALARIES	2,058,645.83	1,850,669.62
EMPLOYER CONTRIBUTIONS TO RETIREMENT FUNDS	180,240.04	220,838.91
TRAINING EXPENSES	21,576.05	12,794.27
OTHER	133,707.16	227,338.29
<b>TOTAL</b>	<b>2,394,169.08</b>	<b>2,311,641.09</b>

**14.2.1 PRINCIPAL OFFICER REMUNERATION**

	2010 R	2009 R
SALARIES	256,860.00	262,283.42
ALLOWANCES	16,200.00	0.00
RETIREMENT FUND CONTRIBUTION	0.00	0.00
INCENTIVE BONUS	81,918.00	78,685.02
OTHER PAYMENTS	0.00	0.00
<b>TOTAL</b>	<b>354,978.00</b>	<b>340,968.44</b>

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**15. PRIOR YEAR ADJUSTMENT**

Please refer to Principal Accounting Policies - Basis of Preparation

**16. FINANCIAL LIABILITIES AND PROVISIONS**

**16.1 FINANCIAL LIABILITIES**

	2010 R	2009 R
<b>TOTAL</b>	0.00	0.00

**16.2 PROVISIONS**

	2010 R	2009 R
ACTUARY'S FEES	494,319.72	671,188.70
ACCUMULATED LEAVE	214,808.47	314,531.34
STAFF BONUS	296,665.79	259,354.26
AUDIT FEES	284,783.90	320,881.37
PROJECT - IT PLATFORM INSTALLATION	94,050.00	0.00
DATA PROCESSING	158,405.63	0.00
<b>TOTAL</b>	<b>1,543,033.51</b>	<b>1,565,955.67</b>

**16.3 ACCOUNTING FOR LEASES**

Leases of property, plant and equipment where the Company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the estimated present value of the underlying lease payments. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in long-term payables. The interest element is charged to the income statement over the lease period. The property, plant and equipment acquired under a finance lease contract is depreciated over the useful life of the asset.

Lease charges for property, plant and equipment classified as operating leases are recognised in the income statement over the period of the lease, not exceeding 5 years.

**17. FINANCIAL INSTRUMENTS**

**\* Solvency risk**

Solvency risk is the risk that the investment returns on assets will not be sufficient to meet the funds contractual obligations to members. Continuous monitoring by the Committee of Management of the Fund's actuary takes place to ensure that appropriate assets are held where the funds obligation to members are dependent upon the performance of specific portfolio assets and that a suitable match of assets exists for all other liabilities.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**\* Legal risk**

Legal risk is the risk that the Fund will be exposed to contractual obligations which have not been provided for. Legal representatives of the Fund monitor the drafting of contracts to ensure that rights and legal obligations of all parties are clearly set out.

**\* Credit risk**

Credit risk is the risk that a counter-party to a financial instrument will fail to discharge an obligation, and cause the Fund to incur a financial loss.

The Board monitors receivable balances on an ongoing basis with the result that the Fund's exposure to bad debts is not significant. An appropriate level of provision is maintained.

**\* Currency risk**

Currency risk is the risk that the value of an instrument will fluctuate in Rands owing to changes in foreign exchange rates. The Fund's exposure to currency risk is in respect of foreign investments made on behalf of members of the Fund for the purpose of seeking desirable international diversification of investments. The Committee of Management monitors this aspect of the Fund's investments and limits it to 15% of total assets.

**\* Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Fund's liabilities are backed by appropriate assets and it has significant liquid resources.

**\* Market risk**

Market risk is the risk that the value of a financial instruments will fluctuate as a result of changes in market prices and interest rates

**\* Investments**

Investments in equities are valued at fair value and therefore susceptible to market fluctuations. Investments are managed with the aim of maximising the Fund's returns while limiting risk to acceptable levels within the framework of statutory requirements.

Continuous monitoring takes place to ensure that appropriate assets are held where the liabilities are dependent upon the performance of specific portfolios of assets and that suitable match of assets exists for all non-market related liabilities.

**18. PROMISED RETIREMENT BENEFITS**

The actuarial present value of promised retirement benefits, distinguishing between vested benefits and non-vested benefits, is set out in the report of the valuator.

**19. RELATED PARTY TRANSACTIONS**

There are no related party transactions for the financial year ended 31 March 2010, except as disclosed in note 14.1 and note 14.2.1

**20. OPERATING LEASE COMMITMENTS**

	2010 R	2009 R
<b>FUTURE MINIMUM OPERATING LEASE PAYMENTS</b>		
<b>WITHIN ONE YEAR</b>	366,344.22	360,939.37
<b>BETWEEN ONE AND FIVE YEARS</b>	225,096.76	630,590.08
<b>TOTAL</b>	591,440.98	991,529.45

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**21. SURPLUS AND RESERVE ACCOUNTS**

	MEMBER/ PENSIONER SURPLUS ACCOUNT	EMPLOYER SURPLUS ACCOUNT	RESERVE ACCOUNTS	EMPLOYER PROTECTION RESERVE	CONTINGENCY RESERVE	INVESTMENT RESERVE	RISK RESERVE	PENSIONER RESERVE	OTHER RESERVES
AT BEGINNING OF PERIOD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ALLOCATION TO/FROM SURPLUS ACCOUNTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EMPLOYER SURPLUS APPORTIONMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MEMBER SURPLUS APPORTIONMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BENEFIT ENHANCEMENT - CURRENT MEMBERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONTRIBUTIONS RECEIVED AND ACCRUED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONTRIBUTIONS TRANSFERRED FROM RESERVE A/C'S	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONTRIBUTIONS TRANSFERRED FROM SURPLUS A/C'S	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SURPLUS IMPROPERLY UTILISED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
REINSURANCE PROCEEDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET INVESTMENT INCOME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(LESS) ALLOCATED TO UNCLAIMED BENEFITS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER INCOME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LESS:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
REINSURANCE PREMIUMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ADMINISTRATION COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RETIREMENT FUND TAXATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET INCOME BEFORE BENEFITS AND TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRANSFERS AND BENEFITS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRANSFERS FROM OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRANSFERS TO OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BENEFITS - CURRENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET INCOME AFTER BENEFITS AND TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRANSFERS BETWEEN RESERVE ACCOUNTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET INVESTMENT RETURN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BENEFIT ENHANCEMENT - PENSIONERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONTRIBUTION HOLIDAY - AFTER SURPLUS APPORTIONMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONTRIBUTION HOLIDAY - BEFORE SURPLUS APPORTIONMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BALANCE AT END OF PERIOD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) (REF. NO. 12/8/6676/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**22. SURPLUS IMPROPERLY UTILISED RECEIVABLE**

	<b>2010</b>	<b>2009</b>
	<b>R</b>	<b>R</b>
OPENING BALANCE	0.00	0.00
AMOUNT PAYABLE BY EMPLOYER	0.00	0.00
INTEREST RAISED	0.00	0.00
LESS		
PAYMENTS RECEIVED	0.00	0.00
SETTLEMENT FROM EMPLOYER SURPLUS A/C	0.00	0.00
OTHER	0.00	0.00
TOTAL RECEIVABLE	0.00	0.00
DISCLOSED AS:		
NON-CURRENT PORTION	0.00	0.00
CURRENT PORTION	0.00	0.00

**23. AMOUNTS TO BE ALLOCATED**

	<b>2010</b>	<b>2009</b>
	<b>R</b>	<b>R</b>
SURPLUS TO BE APPORTIONED	0.00	0.00
INVESTMENT RETURN TO BE ALLOCATED	0.00	0.00
OTHER	0.00	0.00
TOTAL AMOUNTS TO BE ALLOCATED	0.00	0.00

**24. CASH AT BANK**

	<b>2010</b>	<b>2009</b>
	<b>R</b>	<b>R</b>
CURRENT ACCOUNT	4,005,676.66	-357,988.87
UNCLAIMED BENEFITS MONEY MARKET ACCOUNT - STANDARD BANK	4,948,543.12	0.00
	8,954,219.78	-357,988.87

**25. NON-CURRENT ASSETS HELD FOR SALE**

NIL

**26. RESTATEMENT OF PRIOR YEAR FIGURES**

**27. BENEFITS BY INSTALMENTS**

This amount represents the lump sum contribution in respect of retrenchment benefits for Umsekeli employees paid in advance by KZN Department of Local Government and Traditional Affairs

## ***ANNEXURE C***



## REPORT OF THE AUDITOR-GENERAL OF NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) TO THE REGISTRAR OF PENSION FUNDS ON FACTUAL FINDINGS

### Scope

I have performed the procedures agreed with you and enumerated below with respect to the accounting records of the Natal Joint Municipal Pension Fund (Retirement) for the year ended 31 March 2010, as required by you in terms of section 15 of the Pension Funds Act in South Africa, (the Act). My engagement was undertaken in accordance with the International Standard on Related Services (4400) Engagements applicable to agreed-upon procedures engagements regarding financial information. The responsibility for determining the adequacy or otherwise of the procedures agreed to be performed is that of the Registrar of Pension Funds.

### Procedures and findings

My procedures and the corresponding findings thereon are set out in the table below.

	Procedures	Findings
1	We selected a sample of the lesser of 25 or 10% of participating employers and for the following three months: April, August and March, performed the following procedures:	
1.1	We agreed, in total, the data received by the administrator to the cash received by the fund.	We found that the data received by the administrator agreed to the cash received by the fund.
1.2	We inspected the bank statements, as appropriate, for the date on which the cash was received to determine whether the contributions were deposited with a registered bank in accordance with section 13A of the Act and whether late payment interest has been raised in terms of regulation 33, where applicable.	We found that contributions were deposited with a registered bank in accordance with section 13A of the Act and that late payment interest had been correctly raised in terms of regulation 33 were applicable.
1.3	We inspected the accounting records of the fund to determine whether amounts disclosed as arrear contributions at year-end have been paid to the fund in accordance with the requirements of section 13A of the Act.	We found that amounts disclosed as arrear contributions at year-end have been paid to the fund in accordance with the requirements of section 13A of the Act.
2	We inspected the list of investments held by the fund for any investments prohibited in terms of section 19 (4) of the Act.	We found that the fund does not hold investments prohibited in terms of section 19(4) of the Act.

2.1	Where investments held in the participating employer exceeded 5%, we inspected the appropriate Financial Services Board approval.	Not applicable to the fund – no investments were held in the participating employer.
2.2	We obtained written confirmations of investment balances and agreed details of the confirmations received to the investment balances reflected in the general ledger.	We found that the investment balances agreed to the details in the confirmations received from the investment managers.
3	We obtained the list of housing loans granted to members by the fund in terms of section 19(5) of the Act by the fund as at 31 March 2010 and performed the following procedures:	Not applicable to the fund – no housing loans were granted to members by the fund in terms of section 19(5) of the Act by the fund as at 31 March 2010.
3.1	We agreed the loans on the above list to the corresponding account in the general ledger.	Not applicable to the fund – no housing loans were granted to members by the fund in terms of section 19(5) of the Act by the fund as at 31 March 2010.
3.2	From the above list, we selected a sample of the lesser of 25 or 10% of housing loans. We determined whether the selected housing loans were granted in terms of the requirements of section 19(5) of the Act, in terms of the security provided and the interest rates applied to the loans.	Not applicable to the fund – no housing loans were granted to members by the fund in terms of section 19(5) of the Act by the fund as at 31 March 2010.
3.3	If the fund issued more than 100 loans or the total principal debt of all outstanding loans exceeded R500 000, we determined whether the fund was registered as a credit provider under the National Credit Act, 2005 (the NCA) and whether an assurance report had been issued to the National Credit Regulator in terms of section 16(1)(b) of the NCA and regulations 67 and 68 to the NCA.	Not applicable to the fund – no housing loans were granted to members by the fund in terms of section 19(5) of the Act by the fund as at 31 March 2010.
4	We obtained the list of housing loan guarantees granted to members by the fund in terms of section 19(5) of the Act as at 31 March 2010. We selected a sample of the lesser of 25 or 10% of housing guarantees from the list. For the sample selected, we compared the total for guarantees issued on behalf of the members to the total of member individual fund credits, to determine whether the total guarantees issued exceeded the total member individual fund credits allowed in terms of the Act and/or the rules of the fund.	We found that no guarantees issued to members exceeded 50% of the members individual fund credits as allowed by the Act.

5	We obtained a list of other loans as at 31 March 2010 and determined whether these loans were granted in terms of the requirements of section 19(5)B.	Not applicable to the fund – no loans were granted to members by the fund in terms of section 19(5)B of the Act by the fund as at 31 March 2010.
6	We obtained written confirmation from the fund's insurer that fidelity insurance cover was in place throughout the year ended 31 March 2010.	We found that fidelity insurance cover was in place for the financial year ending 31 March 2010.
7	We obtained the list of section 14 transfers to and from the fund throughout the period ended 31 March 2010, selected a sample of the lesser of 25 or 10% transfers in and the lesser of 25 or 10% transfers out, and performed the following procedures:	
7.1	We agreed the section 14 transfers to and from the fund to the approved section 14 documentation received from the Financial Services Board in respect of each transfer.	We found that the section 14 transfers agree to the approved section 14 documentation received from the Financial Services Board.
7.2	We agreed the above list of section 14 transfers to the corresponding account in the general ledger.	We found the section 14 transfers agree to the corresponding account in the general ledger.
7.3	We determined by inspection whether the transfers were received/paid within 60 days of approval and whether the growth and interest return had been allocated from date of receipt/payment.	We found that the following FSB approvals had been paid more than 60 days after the approval was received: FSB approval number 204732. No further exceptions to the procedure were noted.
7.4	In respect of unitised funds, we selected a sample of the lesser of 25 or 10% of the members transferred and recalculated the purchase of units for the amount received using the unit price per the administration system on the date of receipt. (Where units were purchased after date of receipt investment return was included from the date of receipt to the date of purchase)	Not applicable as the fund is not unitised.
8	We obtained a list of accumulated member credits as reflected on the administrator's member register as at 31 March 2010 and performed the following procedures:	
8.1	We agreed the closing balance on the list to the corresponding account in the annual financial statements as at 31 March 2010.	Not applicable – This is a defined benefit fund. The members' benefits are guaranteed, and will not tie up to a list of accumulated members credits.
8.2	We selected a sample of the lesser of	

	25 or 10% of the members from the list and performed the following procedures:	
8.2.1	We agreed the member and employer contributions received for the selected members per the administrator's system to information supplied by the participating employers for a sample of 3 months.	We agreed the contribution received for the selected members per the administrator's system to information supplied by the participating employers for the month of July, November and March.
8.2.2	In respect of unitised investment products, we recalculated the conversion of the selected contributions at the unit price per the administration system on the dates that the contributions were invested and determined whether these units were correctly calculated and added to the existing units for the full period.	Not applicable as the fund's investment products are not unitised.
8.2.3	In respect of unitised investment products, we recalculated the conversion of units at the end of the period at the period end unit price and agreed the amount to the member's record on the member register.	Not applicable as the fund's investment products are not unitised.
8.2.4	In respect of unitised investment products, we agreed the year end unit price as authorised in terms of the rules of the fund to the unit prices on the administration system used to calculate the member credits.	Not applicable as the fund's investment products are not unitised.
8.2.5	In respect of non-unitised investment products, we agreed the return allocated to the member's fund credit on the administrator's records to the return approved in accordance with a resolution of the Board of Trustees or the rules of the fund	We agreed the return allocated to the member's fund credit on the administrator's records to the return approved in accordance with a resolution of the Board of Trustees.
8.3	We selected a sample of the lesser of 25 or 10% of members who switched between investment portfolios during the year and determined whether the portfolios were correctly switched and that the correct amount was switched in accordance with notification of the member's election. We inspected whether any fees deducted were approved by the Board of Trustees.	We noted that the portfolios were correctly switched and that the correct amount was switched in accordance with notification of the member's election. No fees were deducted or charged for switching portfolios.
8.4	If a surplus apportionment scheme was approved by the FSB in the current year, we selected a sample of the lesser	Not applicable – There was no approved surplus apportionment scheme in the current

	of 25 or 10% from the surplus schedules and we agreed the allocation of the fund surplus of the scheme to the individual allocation in the member records per the administration system.	year.
8.5	For unitised investment products where member portfolios are backed by specific portfolios, we agreed the values of investments specified by the members investment choice to the members liabilities per product for that choice and inspected the accuracy of reconciling items.	Not applicable as the fund's investment products are not unitised.
9	We inspected the most recent statutory valuation report to determine whether the fund was under-funded. For under-funded funds we determined whether a scheme, as required in terms of section 18 of Pension Fund Act in South Africa, has been implemented to remedy the shortfall.	The fund is currently charging a surcharge in accordance with a scheme of arrangement entered into with the FSB subsequent to the 31 March 2000 statutory actuarial valuation.
10	We obtained the analysis of the movements in the fund's reserve accounts from the financial statements and performed the following procedures:	
10.1	We agreed the opening balance to the prior year financial statements.	Not applicable – This is a defined benefit fund and does not have reserve accounts.
10.2	We inspected the rules of the fund to determine whether the movements in the fund's reserve accounts were in terms of the rules of the fund and the Act.	Not applicable – This is a defined benefit fund and does not have reserve accounts.
11	We obtained a list of lump sum benefits reflected as expenses in the fund's Statement of Changes in Net Assets and Funds and performed the following procedures:	
11.1	We agreed the list to the respective general ledger benefit expense accounts.	We found that the list agreed to the respective general ledger benefit expense accounts.
11.2	We selected a sample of the lesser of 25 benefits or 10% of the total benefit expenses from the list and performed the following procedures:	
11.2.1	We agreed the claim to the applicable,	We found that the claims agreed to the authorised supporting documentation.

	authorised supporting documentation.	
11.2.2	For death benefits, where a portion of the benefit was reinsured by the fund, we determined whether the recovery from the insurer was received by the fund.	Not applicable to the fund – no portion of the benefit is reinsured by the fund.
11.2.3	We agreed that the calculation of the benefit payment to the requirements of the rules of the fund and/or the Act	We found that the calculation of the benefit payment agreed to the requirements of the rules of the fund. The amounts were calculated by the programme created by Arthur Els actuaries.
11.2.4	We inspected whether the payments agreed to relevant authorisation.	We found that the payouts made by the fund agreed to authorising documentation.
12	We obtained a copy of the listing of pensioners and performed the following procedures:	
12.1	We agreed the total pensions paid to the corresponding account in the general ledger.	We found that the total pensions paid agreed to the corresponding account in the general ledger.
12.2	We selected a sample of the lesser of 25 or 10 % of pensions paid from the above list and performed the following procedures:	
12.2.1	We agreed the pensioner increases to authorisation by the Board of Trustees or other relevant supporting documentation.	We found that the pensioner increases agreed to approved trustee resolutions.
12.2.2	We inspected evidence supporting the fact that the pensioners selected were still alive.	We found that the certificates of existence were in place.
13	Where the fund has reinsured its pensioners with an insurer, we obtained a written confirmation of the pensions paid from the insurer including asset and liability balances and agreed this to the fund's general ledger pension expense, asset and liability accounts.	Not applicable to the fund – no portion is reinsured by the fund.

As the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the procedures performed. Had we performed additional procedures or had we performed an audit or review of the relevant information, other matters might have come to our attention that would have been reported to you.

Our report is solely for regulatory purposes and may not be distributed to, or relied on, by parties other than the Registrar of Pension Funds.

*Auditor General*

Pietermaritzburg

22 September 2010



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## ***ANNEXURE D***



NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

SCHEDULE 1A - SCHEDULES PERTAINING TO THE ANNUAL FINANCIAL STATEMENTS  
For the period ended 31 March 2010

Investments

	Notes	A Direct Investments R	B Non-linked insurance policies R	C Linked insurance policies R	D Collective Investment Schemes R	A+B+C+D X+Y Total R	X Local R	Y Foreign R	Total percentage of foreign exposure
Cash and deposits	A	254,234,933				254,234,933	254,234,933	0	0%
Kruggerands		0				0	0	0	0%
Loans		0				0	0	0	0%
Debentures	C	319,798,004				319,798,004	319,798,004	0	0%
Bills, bonds and securities		0				0	0	0	0%
Properties	E	935,928,427				935,928,427	935,928,427	0	0%
Equities:		662,008,806				662,008,806	662,008,806	0	0%
- Equities with primary listing on JSE		229,342,574				229,342,574	229,342,574	0	0%
- Equities with secondary listing on JSE		44,577,047				44,577,047	44,577,047	0	100%
- Foreign listed equities		0				0	0	0	0%
- Equity index-linked instruments		0				0	0	0	0%
- Unlisted equities		0				0	0	0	0%
Preference shares		0				0	0	0	0%
Collective investment schemes	I	223,862,671			223,862,671	223,862,671	157,736,421	66,106,250	30%
Insurance policies:		0				0	0	0	0%
- Linked policies		0				0	0	0	0%
- Non-linked policies		0				0	0	0	0%
Derivative market instruments		0				0	0	0	0%
Participating mortgage bonds		0				0	0	0	0%
Other	K	138,903,938				138,903,938	138,903,938	0	100%
Total Investments		1,648,835,301	0	0	223,862,671	1,872,747,972	1,623,160,737	249,587,235	13%

## 1A CLASSIFICATION

Cash

DIRECT CASH AND DEPOSITS			Total
SECURITY	DESCRIPTION		
3169	ZAM000003169 NCDX201103232 8.05%		2,003,970
AN4244	AN4244 ABSA NCD 8.40 23042010		4,315,748
AN4258A	ABSA FRN J3M 0.85 10052010		2,022,906
AN4323	ABSA NCD 8.35 25062010		2,127,652
AN4382	ABSA NCD 7.879 18082010		1,009,066
AN4392	ABSA NCD 7.825 26082010		5,233,678
AN4409	ABSA NCD 7.95 13092010		5,219,986
AN4413A	ABSA FRN J3M 0.85 14092010		5,018,618
AN4432	ABSA FRN J3M 0.85 28092010		2,001,239
AN4439	ABSA NCD 8.125 051010		12,475,479
AN4441	ABSA NCD 8.125 06102010		3,118,202
AN4519	ABSA NCD 8.09092010		8,263,942
CCASH	CORONATION ACTIVE - Deposit Accounts		12,100,000
CCASHINT	CORONATION CASH INT - Deposit Accounts		22,963
FFN427	FFN427 FIRSTRAND FRN J3M 0.85 221010		4,058,478
FFN449	FIRSTRAND FRN J3M 0.80 27072010		3,042,293
IN2696A	INVESTEC FRN J3M 0.80 25062010		12,020,226
IN2749	INVESTEC NCD 8.40 08072010		6,368,679
IN2762	INVESTEC NCD 7.87 18082010		1,048,729
IN2763A	INVESTEC FRN J3M 0.80 18082010		1,009,188
IN2776	INVESTEC NCD 7.95 14092010		4,173,375
IN2812	INVESTEC NCD 7.75 07052010		4,229,792
INITMARG	INITIAL MARGIN - Deposit Accounts		5,058,909
INKCINT	INKOTHA CALL INT - Deposit Accounts		49,252
MTXCAL01	MTX CALL ACCOUNT - Deposit Accounts		344,970
NEDCURR	NEDBANK ACCOUNT - Current Accounts		2,012,606
	NEDBANK ACCOUNT - Payables		-9,679,165
	NEDBANK ACCOUNT - Receivables		6,357,594
NEDINT	NEDBANK INTEREST ACC - Current Accounts		16,823
NFN357	NEDBANK FRN J3M 0.80 21072010		3,046,200
NN9169	NN9169 07052010		2,126,192
NN9206	NEDBANK NCD 8.35 25062010		4,255,304
NN9229	NEDBANK NCD 8.475 23072010		4,234,049
NN9233	NEDBANK NCD 8.475 27072010		3,172,751
NN9292	NEDBANK NCD 7.925 17092010		3,127,017
NN9321	NEDBANK NCD 8.20 20102010		6,219,715
NN9358	NEDBANK NCD 7.70 09062010		2,047,677
NN9398	NEDBANK NCD 8.00 160211		9,086,795
NN9401	NEDBANK NCD 8.05 18022011		3,027,127
PRM/CALL	PRUDENTIAL MONEY - Deposit Accounts		56,293,063

## 1A CLASSIFICATION

Cash

DIRECT CASH AND DEPOSITS		Total
SECURITY	DESCRIPTION	
PRMMINT	PRU MM FUND B INT - Deposit Accounts	360,244
SAFEXINT	SAFEXBR INT ACCOUNT - Current Accounts	27,632
SCB002IN	SANLAM CALL BOND INT - Deposit Accounts	76,993
SFN197	SFN197 STD FRN J3M 0.85 14102010	3,051,136
SFN227	STANDARD FRN J3M 0.80 21072010	3,046,200
SFN232	STD FRN J3M 77 13082010	20,196,151
SFN235	STANDARD BANK FRN J3M 0.75 18082010	1,009,131
SFN262A	STD FRN J3M 0.85 19112010	1,008,365
SN2342	STANDARD BANK NCD 8.25 22102010	4,145,562
SN3953A	STANDARD FRN J3M 0.8 23042010	1,014,529
SN3969	STANDARD NCD 8.19 09122010	5,126,777
STDAL01	STD CALL ACCOUNT - Deposit Accounts	311,720
VARMARG	VARIATION MARGIN - Deposit Accounts	1,973,809
VARMINT	VARIATION MARGIN INT - Current Accounts	7,749
YIELDINT	YIELD MARGIN - Current Accounts	5,941
YIELDMAR	YIELD MARGIN ACCOUNT - Deposit Accounts	194,000
3334	ZAM000003334 NCDEX20120323 9.03%	2,003,958
Grand Total		245,240,986
Unclaimed Benefits Call Account		4,948,543
Standard Bank Current Account		4,005,677

## Year end Adjusting Entries

Coronation	-167,032
Prudential	-6,260
Alan Gray	233,018

Total for summary schedule

59,726

Total

254,254,933

## 1A CLASSIFICATION

## C DIRECT BONDS AND DEBENTURES

SECURITY	DESCRIPTION	FUND HOLDING	MARKET VALUE
<b>GOVERNMENT BONDS</b>			
R157	RSA 2015 13.50%	309,876	386,581
R186	RSA 10.50 % 2025/26/27	6,119,056	7,194,402
R197	REPUBLIC OF SA 2023 5.40% 104.080645	4,600,000	9,727,523
R201	RSA 2014 8.75%	217,176	229,074
R203	RSA 2017 8.25%	20,151,580	20,017,941
R204	RSA 2018 8.00%	5,893,476	5,840,900
R206	R206 RSA 15012014	13,326,164	13,339,358
R207	RSA 2020 7.25%	3,114,884	2,879,850
R208	R208 RSA 310321	3,459,924	2,980,606
R209	RSA 2036 6.25%	7,129,100	5,270,599
R210	REP OF SA CPI 6.25% 31032028 142.84	200,000	217,996
NRA013	NRA013 SA NATIONAL ROADS AGENCY CPI 4.25 31102013 155.119	1,300,000	1,562,758
<b>TOTAL GOVERNMENT BONDS</b>			
			69,647,588
<b>PARASTATAL BONDS</b>			
ES23	ESKOM HOLDINGS LTD 10% 25012023	3,000,000	3,190,876
ES26	ES26 ESKOM HLDGS LTD 7.85% 020426	1,500,000	1,308,698
<b>TOTAL PARASTATAL BONDS</b>			
			4,499,574
<b>OTHER BONDS</b>			
ICB001	INKOTHA CALL BOND 31082011 LINKED TO REPO INDIRECT FUNCTI	6,000,000	6,000,000
SCB002	SCB002	15,000,000	15,000,000
<b>TOTAL OTHER BONDS</b>			
			21,000,000
<b>CORPORATE BONDS</b>			
AB06	AB06 SUB DEBT 2013	3,000,000	2,801,173
AB07	AB07 SUB DEBT 070314	1,700,000	1,631,727
ABCP2	ABSA CPI LINKED 6 20092019 164.23548	5,700,000	6,575,664
ABCP3	ABSA 5.50 CPI LINKED 07122028 BASE CPI 65.05040323	1,550,000	2,886,744
ABL5	ABL5 AFRICAN BANK 9.70 11082011	24,426	24,721
ABL8A	ABL8A AFRICAN BANK 13.00 19092013	2,000,000	2,061,432
ABL02	AFRICAN BANK 8.00 INDEXED LINKED 08052014 103.370968	2,700,000	3,202,311
ABL03	AFRICAN BANK 15032015	3,700,000	3,710,593
ABLS1	ABLS1 ABSA CALLABLE BOND J3M160 08082012	36,540	36,814
ABLS2A	ABSA FIXED RATE 15.5 13072016	1,000,000	1,065,199
ABS3	ABSA 8.45 PC 3411AO3	1,300,000	1,306,718
ABS5	ABSA 8.3 PC 1511MNI	7,612,214	7,457,672
ABS6	ABS6 8.2% 2020	61,068	56,242
ABS7	ABSA 8.80 11092026	2,550,000	2,207,784
ABS02	ABSA BANK LTD CPI 5.5% 07122023	2,500,000	4,792,600
AIR02	AIR02 ACSA 11.68 30042023 AO23	4,020,000	4,520,032
AIR03	AIR03 ACSA 10.86 09032016	4,500,000	4,764,847
AIRL01	AIRL01 CP 3.64 30102028	3,150,000	3,353,462
AIRL02	AIRL02 ACSA 5.5 CPI 18022014 165.36071	1,500,000	1,689,003

C DIRECT BONDS AND DEBENTURES

1A CLASSIFICATION

SECURITY	DESCRIPTION	FUND HOLDING	MARKET VALUE
BAW1	BARLOWORLD 10.7 PC 29711	2,000,000	2,079,439
BBER01	SABSA HOLD 9.935 PC 19712	1,300,000	1,352,232
BID01	BIDVEST 10.19 06082014	2,600,000	2,646,441
BLG3A3	BLUE GRANITE 30102011	500,000	508,866
CBL01	CBL01 CAPITEC BANK 14.72 06052011	1,000,000	1,103,099
CBL03	CAPITEC BANK 12.48 18052012	1,000,000	1,052,704
CBL06	CAPITEC BANK LTD 13% 02112014	500,000	539,570
OCT02	CITY OF CAPE TOWN 11.615 15062024	1,000,000	1,085,412
OCT03	CITY OF CAPE TOWN 11.16% 15032025	1,450,000	1,486,333
DC03	DC03 DAIMLER C	1,500,000	1,530,852
DV21	DV21 DBSA 150616	85,496	113,436
DV22	DEVELOPMENT 9.45 PC 722020	1,250,000	1,232,903
DV23	DBSA 10% 2023	2,896,566	2,913,105
EGL01	EGL01 EAGLE BONDS 9.9561 31072012	652,323	620,945
EGL02	EGL02 EAGLE BONDS 10.01463 30112011	271,098	257,895
FRB03	FRB03 BND 9% 15092014	1,300,000	1,433,127
FRB05	FRB05 FNB 21122018	6,185,496	5,480,409
FRBC21	FRBC21 FSR 12 12122018 JD21 PERPETUAL CALLABLE	1,250,000	1,211,107
FRB2A2	RANDMERCH 10.08 PC 282013	1,000,000	939,791
FRX15	FIRST RAND 8.75 14032015	13,700,000	13,268,773
FRX24	FIRSTRAND 10.75 10122024	2,000,000	2,109,323
HMS1B5	HOMB OBLIG 10.43 PC 1972045	2,000,000	2,038,283
IBL03	INVESTEC FRN 13M 2.00 15062012	1,400,000	1,419,707
IBL11	INVESTEC BANK LIMITED 12032015	4,300,000	4,576,913
IN03	INCA 2011 14.00%	1,000,000	1,086,406
IPL4	IPLA IMPERIAL 290314	3,000,000	2,829,900
IV03	INVESTEC 16 PC 31312	3,362,640	3,810,672
IV04	INVESTEC 1034 PC 3132013	300,000	488,991
LGL1	LGL1 LIB LTD 8.93 12092012	2,000,000	2,005,809
MET01	METROPOLITAN LIFE 9.25 PC 15122014	500,000	492,430
MGL01	MOMENTUM 812 PC 1592015	1,000,000	928,509
MTN01	MTN HLDG 10.01 PC 13710	4,500,000	4,627,956
MTN02	MTN HLDG 10.19 PC 1372014	1,000,000	1,038,295
NBK2A	NEDBANK 10.55 15092015	9,600,000	9,986,005
NBK3A	NEDBANK LTD 11.39% 09092019	600,000	625,111
NED11	NEDB LTD 10.54 PC 1792015	2,648,854	2,620,908
NED5	NED5 SUB 24042011	1,000,000	1,031,056
NED6	NED6 SUB 200913	3,000,000	2,973,828
NED7	NED7 SUB 08022012	2,012,214	2,031,725
NEDH1A	NEDH1A NEDBANK CALLABLE BOND 15.05 20112018 (J+712.50)	2,500,000	2,673,173
NRA028	NRA028 12.25 301128	750,000	914,438
OML01	OLD MUTUAL LIFE 8.92 PC 27102015	2,561,068	2,543,490
PROA11	PROCU 13.65 PC 310810	1,500,000	1,542,344
RW02	RAND WATER 2012 13%	500,000	550,390

IA CLASSIFICATION C DIRECT BONDS AND DEBENTURES

SECURITY	DESCRIPTION	FUND HOLDING	MARKET VALUE
SBK12	STANDARD BANK OF SA 10.82 24112016	4,000,000	4,222,520
SBK5	SCMB SUBORDINATED DEBT	912,214	950,202
SBK7	SCMB SUB DEBT 2015	4,800,000	4,828,374
SBK9	SCMB SUB DEBT 2023	2,500,000	2,264,100
SBK11	SEK CAPITAL NOTE 5.75 NACS 102.430830 09042019	3,500,000	3,968,258
SBS1	SBS1 STDBNK 9%240510	3,000,000	3,102,695
SBS5	SBS5 SBSA 071211	4,000,000	4,140,768
SBS7	SBS7 STD 2013	300,000	308,435
SBS9	STANDARD BANK FIXED 11.42 07072016	8,000,000	8,845,244
SBS11	STANDARD BANK CPI 5.5% 07122023	2,600,000	4,984,304
SLI1	SLI1 SANLAM 15082013	2,548,854	2,552,477
SMF1	SMF1 SAPPI 27062013	1,000,000	994,233
SMF2	SAPPI 10.64 PC 141011A014	2,000,000	2,143,811
SMF3	SAPPI MANUFACTURING 12.13 30062012	2,000,000	2,080,606
SNT01	SNT01 SANTAM 150917	2,000,000	1,747,436
SZ25	SA ROADS 2025 9%	2,000,000	1,939,778
TFS06	TFS06 TOYOTA FINANCIAL SERV SA 8.05% 203014	5,511,728	5,240,701
THE6A3	THE6A3 THEKWINI 21112011	1,000,000	1,021,813
THE7A3	THEKW 9.86 PC 181012	1,648,800	1,654,793
TL15	TELKOM SA LIMITED	1,500,000	1,677,515
TN17	TRANSNET 914 PC 14112017	1,700,000	1,722,731
TN20	TRANSNET 10.50 17092020	2,000,000	2,056,585
TN27	TRANSNET 8.9 PC 14112027	2,000,000	1,865,077
UG21	UG21 UMGHNI WATER 02032021	2,640,000	2,723,725
WS04	TRANS CAL 2016 12.5%	3,700,000	4,537,673
WSP3	WSP3 TRANS CALEDON 9.00 28052019	1,000,000	1,027,574
WSP4	TRANS CALEDON 9 PC 28052017 280517	1,500,000	1,527,639
WSP5	TRANSCAL 9 PC 2852021	548,854	552,913
TOTAL CORPORATE BONDS			224,628,839
Grand Total		304,911,789	319,776,000

Year end Adjusting Entries

Coronation	-4,478
Prudential	51,384
Alan Gray	-24,902

Total for summary schedule

319,798,004

IA CLASSIFICATION  
EQUITY PRIMARY LISTING

E DIRECT EQUITIES  
PRIMARY LISTING

SECURITY	DESCRIPTION	SHARES IN ISSUE	FUND HOLDING	MARKET VALUE	% Holding
SOL	SASOL LTD	638,635,816	232,973	70,527,916	0.036%
MTN	MTN GROUP LTD	1,840,549,097	549,164	61,506,368	0.030%
SBK	STANDARD BANK GROUP LTD	1,560,507,136	387,569	44,415,407	0.025%
	SUBTOTAL - Top 25% of Holding			176,449,692	
ANG	ANGLOGOLD LTD	362,347,551	114,634	31,862,520	0.032%
REM	REMORO LTD	481,106,370	286,468	28,073,864	0.060%
GRT	GROWTHPOINT PROPERTY LTD	1,547,521,924	1,338,350	19,740,663	0.086%
FSR	FIRSTRAND LTD	5,637,941,689	956,792	19,327,198	0.017%
SLM	SANLAM ORDINARY SHARES	2,160,000,000	757,183	18,831,141	0.035%
RDF	REDEFINE INCOME FUND LTD	2,654,538,299	1,994,220	15,594,800	0.075%
EXX	EXXARO RESOURCES	357,238,930	103,792	13,067,413	0.029%
WHL	WOOLWORTHS HOLDINGS LTD	847,044,788	572,390	12,895,947	0.068%
SAP	SAPPI LTD	537,117,864	369,024	11,956,378	0.069%
SUI	SUN INTERNATIONAL (SA)	111,095,130	122,664	11,291,221	0.110%
ASA	ABSA GROUP LIMITED	718,210,043	75,693	10,771,114	0.011%
ACP	ACUCAP PROPERTIES	138,173,748	326,138	10,746,247	0.206%
NPK	NAMPAK ORDINARY SHARES	660,307,517	580,275	10,386,923	0.088%
BVT	BIDVEST GROUP LTD	348,592,319	75,052	10,225,835	0.022%
HAR	HARMONY GOLD MINING CO	426,191,965	146,899	10,106,651	0.034%
NTC	NETWORK HEALTHCARE HOLDINGS LIMITED	1,430,695,135	743,059	9,808,379	0.052%
FOS	FOSCHINI ORDINARY SHARES	240,498,241	138,359	9,270,033	0.058%
IMP	IMPALA PLATINUM	631,578,772	43,234	9,252,076	0.007%
ILV	ILLOVO	460,159,638	291,426	8,655,352	0.063%
FPT	FOUNTAINHEAD PROP	996,043,081	1,235,803	8,403,460	0.124%
TON	TONGAAT HULLET LIMITED	103,677,229	76,706	7,900,718	0.074%
SPP	SPAR GROUP LIMITED	171,170,013	103,535	7,713,358	0.060%
ABE	ABCI LTD	119,135,869	117,418	7,591,074	0.099%
AIP	ADCOCK INGRAM HOLDINGS LTD	173,848,578	130,708	7,502,639	0.075%
PWK	PICK N PAY HOLDINGS LTD	527,249,082	357,803	6,293,755	0.068%
GLD	NEW GOLD ISSUER LTD	161,636,300	71,160	5,731,226	0.044%
DSY	DISCOVERY HOLDINGS LTD	591,953,180	163,031	5,624,570	0.028%
MPC	MR PRICE GROUP LTD	247,156,388	134,776	5,364,085	0.055%
MVG	MVELAPHANDA GROUP LTD	443,474,054	600,022	5,352,196	0.135%
ARL	ASTRAL FOODS LTD	42,136,285	47,141	5,350,504	0.112%
PGR	PEREGRINE HOLDINGS LTD	228,128,764	436,497	5,194,314	0.191%
ABL	AFRICAN BANK INVESTMENTS	804,175,200	144,790	5,154,524	0.018%
DTC	DATATEC LTD	182,324,808	150,390	4,887,675	0.082%
SAC	SA CORPORATE REAL ES	2,081,868,612	1,641,867	4,597,228	0.079%
NED	NEDCOR LIMITED	503,549,039	31,807	4,452,980	0.006%
PAP	PANGBOURNE PROPERTIES LTD	441,745,837	246,870	4,426,379	0.056%
SPG	SUPER GROUP LTD	3,273,096,984	5,962,032	4,173,422	0.182%
MND	MONDI	146,896,322	75,457	4,059,587	0.051%
ARI	AFRICAN RAINBOW MINERALS	212,383,347	20,629	3,954,373	0.010%
CAT	CAXTON CTP PUBLISHERS	495,639,628	236,591	3,726,308	0.048%
OMP	OMP CIPLA MEDPRO SOUTH AFRICA LTD	449,856,116	617,464	3,612,164	0.137%

IA CLASSIFICATION  
EQUITY PRIMARY LISTING

E DIRECT EQUITIES  
PRIMARY LISTING

SECURITY	DESCRIPTION	SHARES IN ISSUE	FUND HOLDING	MARKET VALUE	% Holding
BAW	BARLOWORLD LIMITED	227,764,348	72,387	3,567,955	0.032%
GDF	GOLD REEF CASINO RESORTS LTD	291,990,220	183,000	3,467,850	0.063%
MET	METROPOLITAN LIFE LTD	553,203,037	195,000	3,291,600	0.035%
TRE	TRENCOR LTD	187,468,892	109,007	3,270,210	0.058%
AFP	ALEX ANDER FORBES PREFS	236,715,745	460,673	3,224,711	0.195%
EMI	EMIRA PROPERTY FUND	487,827,654	270,989	3,197,670	0.056%
GRF	GROUP FIVE LTD	120,254,617	85,676	3,178,580	0.071%
GFI	GOLD FIELDS LTD	705,438,556	31,131	2,870,278	0.004%
RES	RESILIENT PROPERTY & INCOME FUND LTD	257,894,832	105,300	2,855,736	0.041%
SHR	SHOPRITE HOLDINGS LTD	543,479,460	39,200	2,849,840	0.007%
TBS	TIGER BRANDS LTD.	189,909,072	15,000	2,751,000	0.008%
FBR	FAMOUS BRANDS	94,894,596	100,479	2,651,641	0.106%
TKG	TELKOM SA LIMITED	520,783,898	73,000	2,492,950	0.014%
AVI	AVINIA	343,482,129	103,400	2,460,920	0.030%
HPA	HOSPITAL PROPERTY FUND LTD	63,112,101	174,795	2,228,636	0.277%
CML	CORONATION FUND MANAGERS	314,819,192	220,600	2,148,644	0.070%
LBH	LIBERTY HOLDINGS LTD	286,022,373	28,000	2,030,000	0.010%
BFA	FORTRESS INCOME FUND LTD	186,392,192	203,889	2,018,501	0.109%
SNT	SANTAM LTD	119,346,417	19,133	1,960,176	0.016%
MOB	MOBILE INDUSTRIES LTD	1,068,039,676	864,774	1,954,389	0.081%
HLM	HLM	216,194,836	177,313	1,948,670	0.082%
EQS	EQSTRA HOLDINGS LIMITED	258,889,870	318,160	1,924,358	0.366%
DENPN3	NASPERS LTD WARRANT	5,000,000	21,930	1,920,362	0.025%
JDG	JD GROUP LTD	170,500,000	43,398	1,832,286	0.012%
AEG	AVENG LTD	396,006,572	48,731	1,615,907	0.080%
AVU	AVUSA LIMITED	103,821,159	82,867	1,615,097	0.031%
CPL	CAPITAL PROPERTY FUND	717,578,059	224,319	1,610,907	0.078%
DAW	DISTRIBUTION & WAREHOUSING NETWORK LTD	240,242,904	186,232	1,596,420	0.066%
ADH	ADCTECH LTD	400,838,181	263,871	1,504,769	0.051%
OMN	OMNIA HOLDINGS	47,249,825	23,927	1,245,888	0.017%
AFX	AFRICAN OXYGEN LTD	342,852,910	57,600	1,186,164	0.005%
TRU	TRUWORTHS INTERNATIONAL	455,458,665	22,680	1,145,017	0.040%
MTX	METOREX LTD	752,263,403	297,407	1,098,045	0.063%
APK	ASTRAPAK LTD	135,131,250	84,465	942,180	0.083%
ILA	ILIAD AFRICA LTD	138,217,794	114,900	877,422	0.008%
HCI	HOSKEN CONSOLIDATED INVESTMENTS LD	132,401,130	11,249	818,922	0.018%
SYC	SYCOM PROPERTY FUND	205,107,471	37,617	807,664	0.002%
RMH	RMB HOLDINGS LTD	1,209,111,456	24,951	745,125	0.071%
YRK	YORK TIMBER HOLDINGS LIMITED	328,370,068	234,316	727,571	0.004%
INL	INVESTEC LTD	269,766,932	11,643	719,722	0.009%
OPT	OPTIMUM COAL HOLDINGS LTD	248,488,443	22,776	689,084	0.009%
ALT	ALLIED TECHNOLOGIES	105,979,038	9,415	670,157	0.008%
HYP	HYPROP INVESTMENTS LTD	166,113,169	13,430	657,920	0.043%
ADR	ADICORP HOLDINGS	39,309,129	25,700	645,387	0.003%
PIK	PIC N PAY	480,397,321	15,009		



IA CLASSIFICATION  
EQUITY PRIMARY LISTING

E DIRECT EQUITIES  
PRIMARY LISTING

SECURITY	DESCRIPTION	SHARES IN ISSUE	FUND HOLDING	MARKET VALUE	% Holding
LEW	LEWIS	98,057,959	11,300	638,450	0.012%
MVGP	MVGP MYEL APHANDA GROUP LTD PREFERENCE SHARES	54,261,263	57,043	553,317	0.105%
BCX	BUSINESS CONNEXION	282,636,912	87,300	493,245	0.033%
CRM	CERAMIC INDUSTRIES LTD	20,292,828	4,020	476,772	0.020%
TDH	TRADEHOLD LIMITED	347,330,441	530,000	471,700	0.153%
PFG	PIONEER FOOD GROUP LIMITED	201,183,898	11,300	429,513	0.006%
SUR	SPUR CORPORATION LTD	97,632,833	33,100	413,750	0.034%
DST	DST DISTELL GROUP LTD	201,774,601	5,500	374,000	0.003%
AMA	AMALGAMATED APPLIANCE HOLDINGS LTD	212,189,689	218,553	371,540	0.103%
ATNP	ALLIED ELECTRONICS CORP PART PREFS	240,902,030	22,934	349,218	0.005%
GND	GRINDROD LIMITED	463,681,980	22,106	338,443	0.005%
KEL	KELLY GROUP LIMITED	100,000,000	60,900	322,770	0.061%
MDC	MEDI-CLINIC CORP. LTD	593,013,946	11,700	315,900	0.002%
SSK	STEFANUTTI STOCKS HOLDINGS LIMITED	188,080,746	26,740	304,034	0.014%
ITE	ITALTILE LTD	1,077,663,612	71,694	276,739	0.007%
ATN	ALLIED ELECTRONICS CORPORATION LIMITED	105,669,131	7,770	216,395	0.007%
JCL	JCL LTD	2,224,738,993	1,346,000	215,360	0.060%
DTA	DELTA EMD LTD	49,165,553	11,468	151,378	0.023%
CBH	CONTRY BIRD HOLDINGS LIMITED	202,069,313	54,000	145,800	0.027%
GPL	GRAND PARADE INVESTMENTS LTD	462,331,319	59,671	143,210	0.013%
BDM	BDM BUILDMAX	1,040,699,680	238,200	142,920	0.023%
CSB	CASHBUILD LIMITED	25,805,347	1,900	141,531	0.007%
UCS	UCS GROUP LIMITED	288,422,657	61,600	117,040	0.021%
SKY	SEA KAY HOLDINGS LTD	488,864,228	778,310	93,397	0.159%
DGC	DIGICORE HOLDINGS LIMITED	217,669,272	24,000	75,600	0.011%
SOV	SOVEREIGN FOOD INVESTMENTS LIMITED	50,000,000	5,521	44,444	0.011%
MFL	MFL METROFILE HOLDINGS LTD	408,085,246	19,600	29,400	0.005%
MTXN	MTXN METOREX NIL PAID LETTERS	250,000,000	103,324	25,831	0.041%
	OTHER			485,559,114	
Grand Total				662,008,806	

IA CLASSIFICATION  
EQUITY SECONDARY LISTING

E DIRECT EQUITIES  
SECONDARY LISTING

SECURITY	DESCRIPTION	SHARES IN ISSUE	FUND HOLDING	MARKET VALUE	% Holding
SAB	SA BREWERIES ORD SHARES	1,652,862,745	284,047	60,854,229	0.017%
	SUBTOTAL - Top 25% of Holding			60,854,229	
AGL	ANGLO AMERICAN PLC	1,342,928,473	99,018	31,581,791	0.007%
BIL	BILLITON PLC	2,231,121,202	121,160	30,532,320	0.005%
NPN	NASPERS LTD	405,833,411	89,412	28,298,898	0.022%
CFR	COMPAGNIE FIN RICHMONT	5,220,000,000	812,773	23,092,753	0.016%
LBT	LIBERTY INTERNATIONAL PLC	622,878,501	206,303	11,594,229	0.033%
DDT	DDATA	1,708,290,037	1,105,770	11,079,815	0.065%
MNP	MONDI PLC	367,240,805	188,962	9,731,543	0.051%
REI	REINET INVESTMENTS SCA	1,939,412,860	670,220	7,975,618	0.034%
INP	INVESTEC PLC	471,113,064	129,656	7,788,049	0.028%
OML	OLD MUTUAL PLC	3,666,147,830	599,095	6,903,328	0.009%
	SUBTOTAL - Other			168,488,345	
Grand Total				229,342,574	

IA CLASSIFICATION  
EQUITY PRIMARY / SEC. LISTING

E DIRECT EQUITIES  
FOREIGN LISTING

SECURITY	DESCRIPTION	SHARES IN ISSUE	FUND HOLDING	MARKET VALUE	% Holding
BTI	BRITISH AMERICAN TOBACCO PLC SHARES	202,536,462	175,777	44,577,047	0.009%
Grand Total				44,577,047	

IA CLASSIFICATION

I DIRECT OTHER PORTFOLIO ASSETS

SECURITY	DESCRIPTION	FUND HOLDING	MARKET VALUE
CAB001	CAB001 CORONATION ACTIVE BOND	131,262,634	137,736,421
RILWEQTB	RUSSELL INVESTMENTS WORLD EQUITY CLASS B ACC	630,796	66,105,250
Grand Total			223,862,671

IA CLASSIFICATION

K DIRECT OTHER PORTFOLIO ASSETS

SECURITY	DESCRIPTION	FUND HOLDING	MARKET VALUE	MARKET MOVE BY 5%
ALGLFORB	ALLAN GAY LIFE ORBIS GLOBAL EQUITY	255,055	48,350,727	50,768,263
ALGLPFMF	ALLAN GAY LIFE FOREIGN PORTFOLIO MUTUAL FUNDS	618,759	90,553,211	95,080,871
Grand Total			138,903,938	145,849,135

J RISK MANAGEMENT									
Credit / counter party risk									
Counterparty	Direct investments in counter party	Deposits/ liquid assets with counter party	Secp lending transactions	Open financial instruments marked to market value	Guarantees	Any other instrument	Total for counter party	Exposure to counter party as a % of the fair value of the assets of the fund	
	R	R	R	R	R	R	R		
Banks									
ABSA	10 771 114					81 264 833	92 035 967		4.91%
ABN Amro									0.00%
African Bank	5 154 324					8 999 058	14 153 382		0.76%
African Development Bank									0.00%
Capitec Bank						2 695 373	2 695 373		0.14%
China Bank									0.00%
Credit Agricole									0.00%
Deutsche Bank									0.00%
Development Bank of South Africa						4 259 444	4 259 444		0.23%
First National Bank	19 327 198					26 545 032	45 872 230		2.45%
HSBC									0.00%
Investec	8 435 620					39 146 273	47 581 893		2.54%
Land Bank									0.00%
Nedbank	4 452 980	2 012 606				62 284 634	68 750 220		3.67%
RMB	807 664					4 998 269	5 805 933		0.31%
Societe General									0.00%
Standard Bank	44 415 407	311 720				91 212 749	135 935 876		7.26%
Asset managers - local									
Allan Gray						138 903 938	138 903 938		7.42%
Coronation	2 148 644	12 100 000				157 756 421	172 005 063		9.18%
Prudential		56 633 306					56 633 306		3.03%
Russel Investments						66 106 250	66 106 250		3.53%
Asset managers - foreign									
Insurers									
Alexander Forbes	3 224 711						3 224 711		0.17%
Discovery Holdings	5 624 570						5 624 570		0.30%
Stanlib	13 624 229						13 624 229		0.73%
Metropolitan	3 291 600					492 450	3 784 050		0.20%
Old Mutual	6 903 328					2 543 490	9 446 818		0.50%
Santam	18 831 141	76 993				2 552 477	21 460 611		1.19%
Santam	1 960 176					1 747 436	3 707 612		0.20%
Momentum						928 509	928 509		0.05%
							912 564 187		48.73%
						Per Risk Manager	912 564 187		1 872 747 973
						Script Lending	912 564 187		Fair Value the assets of the fund

1A CLASSIFICATION 10 LARGEST R VALUE EQUITIES

SECURITY	DESCRIPTION	TOP TEN EQUITIES FUND HOLDING	MARKET VALUE	MARKET MOVE BY 5%
SOL	SASOL LTD	232,973	70,527,916	74,054,312
MTN	MTN GROUP LTD	549,164	61,506,368	64,581,686
SAB	SA BREWERIES ORD SHARES	284,047	60,854,229	63,896,941
BTI	BRITISH AMERICAN TOBACCO PLC SHARES	175,777	44,577,047	46,805,900
SBK	STANDARD BANK GROUP LTD	387,569	44,415,407	46,636,178
ANG	ANGLOGOLD LTD	114,634	31,862,520	33,455,646
AGL	ANGLO AMERICAN PLC	99,018	31,581,791	33,160,581
BIL	BILLITON PLC	121,160	30,532,320	32,058,936
NFN	NASERS LTD	89,412	28,298,898	29,713,843
REM	REMGRO LTD	286,468	28,073,864	29,472,557
Grand Total			432,230,362	453,841,880

TOTAL MOVEMENT AS % OF NON CURRENT ASSETS PLUS BANK

1.15%

1A CLASSIFICATION 10 LARGEST R VALUE EQUITIES

SECURITY	DESCRIPTION	TOP TEN OTHER FUND HOLDING	MARKET VALUE	MARKET MOVE BY 5%
CAB001	CAB001 CORONATION ACTIVE BOND	131,262,634	157,756,421	165,644,242
ALGLPFMF	ALLAN GRAY LIFE FOREIGN PORTFOLIO MUTUAL FUNDS	618,759	90,553,211	95,080,871
RILWEQTB	RUSSELL INVESTMENTS WORLD EQUITY CLASS B ACC	630,796	66,106,250	69,411,563
PRMMCALL	PRUDENTIAL MONEY - Deposit Accounts	56,293,063	56,293,063	59,107,716
ALGLFORB	ALLAN GRAY LIFE ORBIS GLOBAL EQUITY	255,055	48,350,727	50,768,263
SFN232	STD FRN JEM.77 13082010	20,000,000	20,196,151	21,205,958
R203	RSA 2017 8.25%	20,151,580	20,017,941	21,018,838
SCH002	SCH002	15,000,000	15,000,000	15,750,000
R206	R206 RSA 15012014	13,326,164	13,339,358	14,006,376
FRX15	FIRST RAND 8.75 14032015	13,700,000	13,266,773	13,932,212
Grand Total			500,881,394	525,925,989

TOTAL MOVEMENT AS % OF NON CURRENT ASSETS PLUS BANK

1.34%

FOREIGN CURRENCY EXPOSURE

SECURITY	DESCRIPTION	FUND HOLDING	MARKET VALUE	MARKET MOVE BY 5%
RILWEQTB	RUSSELL INVESTMENTS WORLD EQUITY CLASS B ACC	630,796	66,106,250	69,411,563
ALGLFORB	ALLAN GRAY LIFE ORBIS GLOBAL EQUITY	255,055	48,350,727	50,768,263
ALGLPFMF	ALLAN GRAY LIFE FOREIGN PORTFOLIO MUTUAL FUNDS	618,759	90,553,211	95,080,871
Grand Total			362,766,609	380,904,940

TOTAL MOVEMENT AS % OF NON CURRENT ASSETS PLUS BANK

0.97%

# EQUITIES

Included in the value above are the following script lending transactions:

List and describe your script lending mandates

## Script lending

Transaction date	Script on loan	Script name	Security in place	Pair value R	No. of shares lent	Name of counter party	Script custodian	Manufactured dividend
18/03/2010	ABG	AVENG LIMITED	VARIOUS	673,040.00 673,040.00	17,500 17,500	VARIOUS	NEDBANK LTD	
30/03/2010	ACL	ANGLO AMERICAN	VARIOUS	277,803.45	871	VARIOUS	NEDBANK LTD	
02/03/2010	ACL	ANGLO AMERICAN	VARIOUS	418,143.45	1,311	VARIOUS	NEDBANK LTD	
08/03/2010	ACL	ANGLO AMERICAN	VARIOUS	3,905,240.50	10,990	VARIOUS	NEDBANK LTD	
04/03/2010	ACL	ANGLO AMERICAN	VARIOUS	5,647,856.60	17,702	VARIOUS	NEDBANK LTD	
				9,140,176.00	30,880			
18/03/2010	ALT	ALLIED TECHNOLOGIES LIMITED	VARIOUS	146,380.00 146,380.00	2,000 2,000	VARIOUS	NEDBANK LTD	
08/03/2010	ASA	ASBA GROUP LIMITED	VARIOUS	372,968.30	2,621	VARIOUS	NEDBANK LTD	
09/02/2010	ASA	ASBA GROUP LIMITED	VARIOUS	3,533,451.30	24,831	VARIOUS	NEDBANK LTD	
				3,906,419.60	27,452			
26/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	98,300.00	2,000	VARIOUS	NEDBANK LTD	
30/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	140,939.40	2,860	VARIOUS	NEDBANK LTD	
				239,549.40	4,860			
25/02/2010	BIL	BILLITON PLC	VARIOUS	112,392.00	446	VARIOUS	NEDBANK LTD	
02/03/2010	BIL	BILLITON PLC	VARIOUS	234,360.00	910	VARIOUS	NEDBANK LTD	
17/03/2010	BIL	BILLITON PLC	VARIOUS	252,000.00	1,000	VARIOUS	NEDBANK LTD	
14/01/2010	BIL	BILLITON PLC	VARIOUS	504,000.00	2,000	VARIOUS	NEDBANK LTD	
14/09/2009	BIL	BILLITON PLC	VARIOUS	10,013,720.00	39,735	VARIOUS	NEDBANK LTD	
				11,115,971.00	44,111			
05/03/2010	CFR	COMPAGNIE FIN RICHMONT	VARIOUS	3,158,222.00 3,158,222.00	11,205 11,205	VARIOUS	NEDBANK LTD	
04/03/2010	FOS	FOSCHINI LIMITED	VARIOUS	837,500.00	12,500	VARIOUS	NEDBANK LTD	
25/03/2010	FOS	FOSCHINI LIMITED	VARIOUS	1,875,000.00	25,000	VARIOUS	NEDBANK LTD	
				2,612,500.00	37,500			
08/01/2010	FSR	FIRST RAND	VARIOUS	1,721,705.60	85,233	VARIOUS	NEDBANK LTD	
01/03/2010	FSR	FIRST RAND	VARIOUS	3,454,987.60	171,038	VARIOUS	NEDBANK LTD	
				5,176,674.20	256,271			
22/01/2010	GFI	GOLDFIELDS LIMITED	VARIOUS	150,151.40 150,151.40	1,737 1,737	VARIOUS	NEDBANK LTD	
19/03/2010	IMP	IMPALA PLATINUM	VARIOUS	175,480.00	820	VARIOUS	NEDBANK LTD	
17/11/2009	IMP	IMPALA PLATINUM	VARIOUS	856,000.00	4,000	VARIOUS	NEDBANK LTD	
30/10/2009	IMP	IMPALA PLATINUM	VARIOUS	1,123,500.00	5,250	VARIOUS	NEDBANK LTD	
24/03/2010	IMP	IMPALA PLATINUM	VARIOUS	2,370,478.00	11,077	VARIOUS	NEDBANK LTD	
				4,525,458.00	21,147			
31/03/2010	INL	INVESTEC LIMITED	VARIOUS	51,304.29	821	VARIOUS	NEDBANK LTD	
29/03/2010	INL	INVESTEC LIMITED	VARIOUS	312,450.00 363,754.29	5,000 5,821	VARIOUS	NEDBANK LTD	
17/03/2010	LIB	LIBERTY INTERNATIONAL PLC	VARIOUS	25,200.00	450	VARIOUS	NEDBANK LTD	
29/01/2010	LIB	LIBERTY INTERNATIONAL PLC	VARIOUS	1,180,300.00 1,205,490.00	21,000 21,459	VARIOUS	NEDBANK LTD	

NATAL JOINT MUNICIPAL FENITE PRUDENTIAL 888354410-NFFR31

Included in the value above are the following script lending transactions:  
List and describe your script lending mandate

Script lending

Transaction date	Script on lent	Script name	Security in place	Fair value R	No. of shares lent	Name of counter party	Script entered in	Manufactured dividend
29/03/2010 MND	MONDI LTD		VARIOUS	229,510.80 229,510.80	4,266 4,266	VARIOUS	NEDBANK LTD	
05/03/2010 MNF	MONDI PLC		VARIOUS	103,000.00	2,000	VARIOUS	NEDBANK LTD	
05/11/2009 MNF	MONDI PLC		VARIOUS	515,000.00	10,000	VARIOUS	NEDBANK LTD	
29/03/2010 MNF	MONDI PLC		VARIOUS	1,372,526.50 1,990,526.50	26,651 33,651	VARIOUS	NEDBANK LTD	
11/03/2010 MTN	MTN GROUP LIMITED		VARIOUS	9,159,168.00 9,159,168.00	83,564 83,564	VARIOUS	NEDBANK LTD	
12/03/2010 NED	NEDBANK LIMITED		VARIOUS	6,720.00	48	VARIOUS	NEDBANK LTD	
19/03/2010 NED	NEDBANK LIMITED		VARIOUS	491,260.00	3,509	VARIOUS	NEDBANK LTD	
26/03/2010 NED	NEDBANK LIMITED		VARIOUS	572,460.00	4,089	VARIOUS	NEDBANK LTD	
19/03/2010 NPN	NASPERS LIMITED		VARIOUS	1,070,440.00 4,727,550.50 4,727,550.50	7,646 14,937 14,937	VARIOUS	NEDBANK LTD	
04/02/2010 OML	DLD MUTUAL		VARIOUS	474,600.00	35,000	VARIOUS	NEDBANK LTD	
19/03/2010 OML	OLD MUTUAL		VARIOUS	636,642.00	46,950	VARIOUS	NEDBANK LTD	
18/01/2010 OML	OLD MUTUAL		VARIOUS	2,340,415.32 3,451,687.33	172,997 264,647	VARIOUS	NEDBANK LTD	
22/10/2009 PAP	PANGBOURNE PROPERTIES LIMITED		VARIOUS	1,181,586.89 1,181,586.89	121,673 121,673	VARIOUS	NEDBANK LTD	
03/03/2010 PIK	PICK N PAY STORES LIMITED		VARIOUS	24,138.00	566	VARIOUS	NEDBANK LTD	
19/03/2010 PIK	PICK N PAY STORES LIMITED		VARIOUS	298,334.00	6,938	VARIOUS	NEDBANK LTD	
27/01/2010 SAB	SOUTH AFRICAN BREWERIES		VARIOUS	321,672.00 1,285,440.00 1,483,440.00	7,604 6,000 6,000	VARIOUS	NEDBANK LTD	
08/03/2010 SBK	STANDARD BANK GROUP LIMITED		VARIOUS	2,547,672.60 2,547,672.60	22,231 22,231	VARIOUS	NEDBANK LTD	
19/03/2010 WHL	WOOLWORTHS		VARIOUS	1,150,822.99 1,150,677.99	59,183 50,183	VARIOUS	NEDBANK LTD	
	TOTAL			71,329,654.49	1,193,536			
NATAL JOINT MUNICIPAL FENRE AGAM REFINERS-SUPPL								
26/09/2009 ANO	ANCLOCOLD ASHANTI LIMITED		VARIOUS	11,673,900.00 11,673,900.00	42,000 42,000	VARIOUS	NEDBANK LTD	
18/03/2010 ARI	AFRICAN RAINBOW MINERALS LTD		VARIOUS	1,916,900.00 1,916,900.00	10,000 10,000	VARIOUS	NEDBANK LTD	
05/03/2010 BAW	BARLOWORLD LIMITED		VARIOUS	168,423.93	3,417	VARIOUS	NEDBANK LTD	
29/03/2010 BAW	BARLOWORLD LIMITED		VARIOUS	264,687.30	5,370	VARIOUS	NEDBANK LTD	
30/03/2010 BAW	BARLOWORLD LIMITED		VARIOUS	547,093.77 1,380,120.00	19,213 28,000	VARIOUS	NEDBANK LTD	
02/02/2010 GDF	GOLD REEF CASINO RESORTS LIMITED		VARIOUS	1,171,733.55	61,833	VARIOUS	NEDBANK LTD	

### Script lending

**NATAL JOINT MUNICIPAL PEN/RE CORP 882034380-NJP103**

Included in the value above are the following script lending transactions:  
*List and describe your script lending mandates*

Script lending

Transaction date	Script on lent	Script name	Security in place	Fair value R	No. of shares lent	Name of counter party	Script embedder	Manufactured dividend
28/10/2009 FET	FOUNTAINHEAD PROPERTY TRUST		VARIOUS	2,008,720.00 2,008,720.00	293,400 293,400	VARIOUS	NEDBANK LTD	
17/03/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	39,340.00	700	VARIOUS	NEDBANK LTD	
29/01/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	1,742,200.00	31,000	VARIOUS	NEDBANK LTD	
26/01/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	2,438,124.60	43,383	VARIOUS	NEDBANK LTD	
				4,219,664.60	75,083			
08/03/2010 LEW	LEWIS GROUP LIMITED		VARIOUS	101,700.00	1,800	VARIOUS	NEDBANK LTD	
03/07/2010 LEW	LEWIS GROUP LIMITED		VARIOUS	194,416.50	3,441	VARIOUS	NEDBANK LTD	
				296,116.50	4,281			
29/03/2010 MNP	MONDI PLC		VARIOUS	2,716,007.00	52,738	VARIOUS	NEDBANK LTD	
				2,716,007.00	52,738			
24/02/2010 MPC	MR PRICE GROUP LIMITED		VARIOUS	109,450.00	2,750	VARIOUS	NEDBANK LTD	
13/11/2009 MPC	MR PRICE GROUP LIMITED		VARIOUS	1,106,440.00	27,800	VARIOUS	NEDBANK LTD	
24/12/2009 MPC	MR PRICE GROUP LIMITED		VARIOUS	1,466,152.40	36,938	VARIOUS	NEDBANK LTD	
				2,681,042.40	67,538			
19/03/2010 NED	NEDBANK LIMITED		VARIOUS	91,420.00	633	VARIOUS	NEDBANK LTD	
28/01/2010 NED	NEDBANK LIMITED		VARIOUS	553,000.00	3,950	VARIOUS	NEDBANK LTD	
06/01/2010 NED	NEDBANK LIMITED		VARIOUS	1,582,000.00	11,300	VARIOUS	NEDBANK LTD	
				2,226,420.00	15,903			
08/03/2010 NFN	NASPERS LIMITED		VARIOUS	6,421,449.50	20,289	VARIOUS	NEDBANK LTD	
				6,421,468.50	20,289			
31/03/2010 RMH	RMB HOLDINGS LIMITED		VARIOUS	403,815.72	12,475	VARIOUS	NEDBANK LTD	
				403,815.75	12,475			
26/01/2010 SBK	STANDARD BANK GROUP LIMITED		VARIOUS	862,479.60	7,526	VARIOUS	NEDBANK LTD	
				862,479.60	7,526			
08/02/2010 SHP	SHOPRITE HOLDINGS LIMITED		VARIOUS	507,391.40	6,982	VARIOUS	NEDBANK LTD	
				507,391.40	6,982			
11/03/2010 TRU	TRUWORTHS INTERNATIONAL		VARIOUS	15,690.00	300	VARIOUS	NEDBANK LTD	
				15,690.00	300			
19/03/2010 WHL	WOOLWORTHS		VARIOUS	2,231,321.80	99,060	VARIOUS	NEDBANK LTD	
				2,231,321.80	99,060			
	TOTAL			41,408,382.80	855,990			



# EQUITIES

Included in the value above are the following script lending transactions:  
*List and describe your script lending mandates*

## Script lending

Transaction date	Script on lent	Script name	Security in place	Rate value R	No. of interest	Name of counter party	Script custodian	Manufactured dividend
<b>NATAL JOINT MUNICIPAL FENRE PRUDENTIAL #81034410-NUPRE1</b>								
18/03/2010	ASO	AVENO LIMITED	VARIOUS	673,940.00 673,940.00	17,920 17,920	VARIOUS	NEDBANK LTD	
10/03/2010	AGL	ANGLO AMERICAN	VARIOUS	277,803.45	871	VARIOUS	NEDBANK LTD	
02/03/2010	AGL	ANGLO AMERICAN	VARIOUS	418,143.45	1,311	VARIOUS	NEDBANK LTD	
06/03/2010	AGL	ANGLO AMERICAN	VARIOUS	3,305,260.50	10,990	VARIOUS	NEDBANK LTD	
04/03/2010	AGL	ANGLO AMERICAN	VARIOUS	5,647,966.60	17,708	VARIOUS	NEDBANK LTD	
				9,849,170.00	30,880			
18/03/2010	ALT	ALLIED TECHNOLOGIES LIMITED	VARIOUS	146,380.00 146,380.00	2,000 2,000	VARIOUS	NEDBANK LTD	
08/03/2010	ASA	ASBA GROUP LIMITED	VARIOUS	372,968.50	2,621	VARIOUS	NEDBANK LTD	
09/02/2010	ASA	ASBA GROUP LIMITED	VARIOUS	3,533,451.30	24,831	VARIOUS	NEDBANK LTD	
				3,906,419.60	27,482			
26/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	98,580.00	2,000	VARIOUS	NEDBANK LTD	
30/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	140,969.40	2,800	VARIOUS	NEDBANK LTD	
				239,549.40	4,800			
25/02/2010	BIL	BILLITON PLC	VARIOUS	112,392.00	446	VARIOUS	NEDBANK LTD	
02/03/2010	BIL	BILLITON PLC	VARIOUS	234,560.00	930	VARIOUS	NEDBANK LTD	
17/03/2010	BIL	BILLITON PLC	VARIOUS	252,000.00	1,000	VARIOUS	NEDBANK LTD	
14/01/2010	BIL	BILLITON PLC	VARIOUS	504,000.00	2,000	VARIOUS	NEDBANK LTD	
14/09/2009	BIL	BILLITON PLC	VARIOUS	19,013,220.00	39,735	VARIOUS	NEDBANK LTD	
				13,115,972.00	44,111			
06/03/2010	CFR	CONFAGNIE FIN RICHMONT	VARIOUS	3,158,222.00 3,158,222.00	111,205 111,205	VARIOUS	NEDBANK LTD	
04/03/2010	FOS	FOSCHINI LIMITED	VARIOUS	837,500.00	12,500	VARIOUS	NEDBANK LTD	
24/03/2010	FOS	FOSCHINI LIMITED	VARIOUS	1,675,000.00	23,000	VARIOUS	NEDBANK LTD	
				2,512,500.00	37,500			
08/03/2010	FSR	FIRST RAND	VARIOUS	1,721,706.60	85,233	VARIOUS	NEDBANK LTD	
01/03/2010	FSR	FIRST RAND	VARIOUS	3,483,567.00	171,038	VARIOUS	NEDBANK LTD	
				5,176,674.10	256,271			
22/01/2010	GFI	GOLDFIELDS LIMITED	VARIOUS	150,151.40 150,151.40	1,737 1,737	VARIOUS	NEDBANK LTD	
18/03/2010	IMP	IMPALA PLATINUM	VARIOUS	175,480.00	820	VARIOUS	NEDBANK LTD	
17/11/2009	IMP	IMPALA PLATINUM	VARIOUS	856,000.00	4,000	VARIOUS	NEDBANK LTD	
30/10/2009	IMP	IMPALA PLATINUM	VARIOUS	1,123,500.00	5,250	VARIOUS	NEDBANK LTD	
24/03/2010	IMP	IMPALA PLATINUM	VARIOUS	2,570,478.00	11,927	VARIOUS	NEDBANK LTD	
				4,515,455.00	21,147			
31/03/2010	INL	INVESTEC LIMITED	VARIOUS	91,304.29	821	VARIOUS	NEDBANK LTD	
29/03/2010	INL	INVESTEC LIMITED	VARIOUS	312,450.00 353,754.29	5,000 5,821	VARIOUS	NEDBANK LTD	
17/03/2010	LBT	LIBERTY INTERNATIONAL PLC	VARIOUS	25,200.00	450	VARIOUS	NEDBANK LTD	
29/01/2010	LBT	LIBERTY INTERNATIONAL PLC	VARIOUS	1,180,200.00 1,025,490.00	21,000 21,480	VARIOUS	NEDBANK LTD	

Included in the value above are the following script lending transactions:  
*List and describe your script lending mandates*

Script lending

Transaction date	Script on lent	Script name	Security in place	Fair value R	No. of interest	Name of counter party	Script custodian	Manufactured dividend
29/01/2010	MND	MONDI LTD	VARIOUS	229,410.80 229,410.80	4265 4265	VARIOUS	NEDBANK LTD	
05/03/2010	MNP	MONDI PLC	VARIOUS	103,000.00	2,000	VARIOUS	NEDBANK LTD	
05/11/2009	MNP	MONDI PLC	VARIOUS	515,000.00	10,000	VARIOUS	NEDBANK LTD	
29/01/2010	MNP	MONDI PLC	VARIOUS	1,372,526.50 1,970,536.50	26,651 38,651	VARIOUS	NEDBANK LTD	
11/03/2010	MTN	MTN GROUP LIMITED	VARIOUS	9,359,166.00 9,359,166.00	83,564 83,564	VARIOUS	NEDBANK LTD	
12/03/2010	NED	NEDBANK LIMITED	VARIOUS	6,720.00	48	VARIOUS	NEDBANK LTD	
19/03/2010	NED	NEDBANK LIMITED	VARIOUS	491,260.00	3,509	VARIOUS	NEDBANK LTD	
26/03/2010	NED	NEDBANK LIMITED	VARIOUS	572,460.00 1,070,440.00	4,089 7,645	VARIOUS	NEDBANK LTD	
19/03/2010	NTN	NASPEERS LIMITED	VARIOUS	4,727,500.50 4,727,500.50	14,937 14,937	VARIOUS	NEDBANK LTD	
04/02/2010	OML	OLD MUTUAL	VARIOUS	474,600.00	35,000	VARIOUS	NEDBANK LTD	
19/03/2010	OML	OLD MUTUAL	VARIOUS	636,642.00	46,950	VARIOUS	NEDBANK LTD	
18/01/2010	OML	OLD MUTUAL	VARIOUS	2,340,415.22 3,431,697.33	172,397 264,547	VARIOUS	NEDBANK LTD	
22/10/2009	PAP	PANGBOURNE PROPERTIES LIMITED	VARIOUS	2,181,596.89 2,181,596.89	121,673 121,673	VARIOUS	NEDBANK LTD	
03/03/2010	PIK	PICK N PAY STORES LIMITED	VARIOUS	24,338.00	566	VARIOUS	NEDBANK LTD	
19/03/2010	PIK	PICK N PAY STORES LIMITED	VARIOUS	296,334.00 372,672.00	6,938 7,604	VARIOUS	NEDBANK LTD	
27/01/2010	SAB	SOUTH AFRICAN BREWERIES	VARIOUS	1,388,440.00 1,485,440.00	6,000 6,000	VARIOUS	NEDBANK LTD	
08/03/2010	SBK	STANDARD BANK GROUP LIMITED	VARIOUS	2,547,673.60 2,547,673.60	22,231 22,231	VARIOUS	NEDBANK LTD	
19/03/2010	WHL	WOOLWORTHS	VARIOUS	1,130,622.92 1,130,622.92	20,183 20,183	VARIOUS	NEDBANK LTD	
		TOTAL		71,329,654.49 1,03,536				
NATAL JOINT MUNICIPAL FEN/REAGAM 88202098LNP02								
25/09/2009	ANG	ANGLOOLD ASHANTI LIMITED	VARIOUS	11,673,900.00 11,673,900.00	42,000 42,000	VARIOUS	NEDBANK LTD	
18/03/2010	ARI	AFRICAN RAINBOW MINERALS LTD	VARIOUS	1,916,900.00 1,916,900.00	10,000 10,000	VARIOUS	NEDBANK LTD	
05/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	168,423.93	3,417	VARIOUS	NEDBANK LTD	
29/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	264,487.30	5,370	VARIOUS	NEDBANK LTD	
30/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	947,808.77 1,904,120.00	19,213 28,000	VARIOUS	NEDBANK LTD	
02/02/2010	GDF	GOLD REEF CASINO RESORTS LIMITED	VARIOUS	1,171,735.35	61,833	VARIOUS	NEDBANK LTD	

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NATAL JOINT MUNICIPAL PENITENT CORP 88F1034380-NJPR03

Included in the value above are the following script lending transactions:  
*List and describe your script lending mandate*

Script lending

Transaction date	Script on lent	Script name	Security in place	Fair value R	No. of shares lent	Name of issuer party	Script custodian	Manufactured dividend
28/02/2009	FPT	FOUNTAINHEAD PROPERTY TRUST	VARIOUS	2,008,720.00 2,008,710.00	295,400 295,400	VARIOUS	NEDBANK LTD	
17/03/2010	LBT	LIBERTY INTERNATIONAL PLC	VARIOUS	39,340.00	700	VARIOUS	NEDBANK LTD	
29/01/2010	LBT	LIBERTY INTERNATIONAL PLC	VARIOUS	1,742,200.00	31,000	VARIOUS	NEDBANK LTD	
26/03/2010	LBT	LIBERTY INTERNATIONAL PLC	VARIOUS	2,438,124.60	43,383	VARIOUS	NEDBANK LTD	
				4,219,564.60	75,083			
08/03/2010	LEW	LEWIS GROUP LIMITED	VARIOUS	101,700.00	1,800	VARIOUS	NEDBANK LTD	
03/03/2010	LEW	LEWIS GROUP LIMITED	VARIOUS	194,416.50	3,441	VARIOUS	NEDBANK LTD	
				196,116.50	3,241			
29/03/2010	MNP	MONDIFLC	VARIOUS	2,716,007.00	52,738	VARIOUS	NEDBANK LTD	
				2,716,007.00	52,738			
24/02/2010	MPC	MR PRICE GROUP LIMITED	VARIOUS	109,450.00	2,750	VARIOUS	NEDBANK LTD	
13/11/2009	MPC	MR PRICE GROUP LIMITED	VARIOUS	1,106,440.00	27,800	VARIOUS	NEDBANK LTD	
24/12/2009	MPC	MR PRICE GROUP LIMITED	VARIOUS	1,456,152.40	36,838	VARIOUS	NEDBANK LTD	
				2,682,042.40	67,388			
19/03/2010	NED	NEDBANK LIMITED	VARIOUS	91,420.00	633	VARIOUS	NEDBANK LTD	
28/01/2010	NED	NEDBANK LIMITED	VARIOUS	553,000.00	3,950	VARIOUS	NEDBANK LTD	
06/01/2010	NED	NEDBANK LIMITED	VARIOUS	1,582,000.00	11,300	VARIOUS	NEDBANK LTD	
				2,225,420.00	15,903			
08/03/2010	NTN	NASPERS LIMITED	VARIOUS	6,421,468.50	20,289	VARIOUS	NEDBANK LTD	
				6,421,468.50	20,289			
31/03/2010	RMH	RMB HOLDINGS LIMITED	VARIOUS	403,815.75	12,475	VARIOUS	NEDBANK LTD	
				403,815.75	12,475			
26/01/2010	SBK	STANDARD BANK GROUP LIMITED	VARIOUS	882,479.60	7,928	VARIOUS	NEDBANK LTD	
				882,479.60	7,928			
08/02/2010	SHF	SHOPRITE HOLDINGS LIMITED	VARIOUS	507,391.40	5,982	VARIOUS	NEDBANK LTD	
				507,391.40	5,982			
11/03/2010	TRU	TRUWORTH'S INTERNATIONAL	VARIOUS	15,690.00	300	VARIOUS	NEDBANK LTD	
				15,690.00	300			
19/03/2010	WHL	WOOLWORTHS	VARIOUS	2,231,821.80	99,060	VARIOUS	NEDBANK LTD	
				2,231,821.80	99,060			
		TOTAL		41,435,381.30	845,990			

# BONDS

Included in the value above are the following script lending transactions:  
*List and describe your script lending mandates*

## Script lending

Transaction date	Script on lent	Script name	Security in place	Fair value R	No. of shares lent	Name of counter party	Script custodian	Manufactured dividend
<b>NATAL JOINT MUNICIPAL FENIRE PRUDENTIAL 8882034410-NIPR01</b>								
07/01/2010 R186	REPUBLIC OF SA (R186)		VARIOUS	1,490,687.12	1,300,000	VARIOUS	NEDBANK LTD	
				1,490,687.12	1,300,000			
09/11/2009 R203	SOUTH AFRICAN BONDS		VARIOUS	1,157,640.44	1,180,000	VARIOUS	NEDBANK LTD	
				1,157,640.44	1,180,000			
09/11/2009 R204	SOUTH AFRICAN		VARIOUS	872,047.80	900,000	VARIOUS	NEDBANK LTD	
25/09/2009 R204	SOUTH AFRICAN		VARIOUS	1,982,455.33	2,045,000	VARIOUS	NEDBANK LTD	
				2,864,501.13	2,945,000			
06/11/2009 R206	SOUTH AFRICAN BOND		VARIOUS	2,403,434.25	2,500,000	VARIOUS	NEDBANK LTD	
				2,463,434.25	2,400,000			
25/09/2009 R207	SOUTH AFRICAN BONDS(R207)		VARIOUS	1,416,414.02	1,857,442	VARIOUS	NEDBANK LTD	
				1,416,414.02	1,857,442			
25/09/2009 R209	SOUTH AFRICAN BOND (R209)		VARIOUS	1,433,592.39	1,939,550	VARIOUS	NEDBANK LTD	
				1,433,592.39	1,939,550			
	<b>TOTAL</b>			10,826,271.41	11,622,992			
<b>NATAL JOINT MUNICIPAL FENIRE AGAM 8882010981-NIPR02</b>								
09/11/2009 R203	SOUTH AFRICAN BONDS		VARIOUS	8,170,811.39	8,237,300	VARIOUS	NEDBANK LTD	
				8,170,811.39	8,237,300			
06/11/2009 R206	SOUTH AFRICAN BOND		VARIOUS	1,734,257.71	1,760,000	VARIOUS	NEDBANK LTD	
				1,734,257.71	1,760,000			
	<b>TOTAL</b>			9,905,069.10	10,007,300			

## CORPORATE ACTION DIVIDEND PAYMENT-NATAL JOINT

## NATAL JOINT MUNICIPAL PEN/RETIREMENT-AGAM-NJPR02

8882034380	20100315	INC	5 990 000.00	247 087.50	R 203	NED	0.04
8882034380	20100115	INC	1 760 000.00	66 000.00	R 206	NED	0.04
8882034380	20100319	INC	42 000.00	29 480.00	ANG	NED	0.70
8882034380	20100118	INC	28 000.00	19 600.00	BAW	NED	0.70
8882034380	20091019	INC	136 155.00	29 933.66	FSR	NED	0.22
8882034380	20100329	SHP	545.00	1 585.93	1 BH	NED	2.91
8882034380	20100118	INC	283 737.00	68 096.88	NPK	NED	0.24
8882034380	20091211	INC	80 346.00	101 266.49	SAB	NED	1.26
8882034380	20100323	INC	10 347.00	8 277.60	SHP	NED	0.80
8882034380	20091019	INC	37 495.00	224 970.00	SOL	NED	6.00
				796 238.06			

## NATAL JOINT MUNICIPAL PEN/RETIREMENT-CORONATION-NJPR09

8882034380	20091221	INC	84 695.00	84 695.00	ABL	NED	1.00
8882034380	20100315	INC	4 586.00	10 089.20	ASA	NED	2.20
8882034380	20100323	INC	14 779.00	48 220.79	BIL	NED	3.26
8882034380	20091130	SHP	17 197.00	32 674.30	BYT	NED	1.90
8882034380	20100329	SHP	23 090.00	51 750.00	EVT	NED	2.07
8882034380	20090928	INC	20 000.00	20 000.00	EXX	NED	1.00
8882034380	20091123	INC	410 015.00	107 833.93	FPT	NED	0.26
8882034380	20091019	INC	46 736.00	10 286.76	FSR	NED	0.22
8882034380	20091027	INC	35 100.00	17 069.83	LBT	NED	0.49
8882034380	20091207	INC	35 729.00	16 506.80	MPC	NED	0.46
8882034380	20100118	INC	17 150.00	4 116.00	NPK	NED	0.24
8882034380	20091019	INC	9 142.00	4 113.90	RMH	NED	0.45
8882034380	20100323	INC	20 500.00	16 400.00	SHP	NED	0.80
8882034380	20091019	INC	21 004.00	126 024.00	SOL	NED	6.00
8882034380	20091207	INC	32 407.00	64 814.00	SPP	NED	2.00
8882034380	20100315	INC	10 300.00	10 506.00	TRU	NED	1.02
				625 100.53			

## CORPORATE ACTION DIVIDEND PAYMENT-NATAL JOINT

## NATAL JOINT MUNICIPAL PEN/RET-PRUDENTIAL-NJPR01

8882034410	20091221 INC	4 705 823.00	247 055.71 R 185	NED	0.05
8882034410	20100315 INC	1 180 000.00	48 675.00 R 203	NED	0.04
8882034410	20091221 INC	2 900 000.00	116 000.00 R 204	NED	0.04
8882034410	20100315 INC	2 500 000.00	93 750.00 R 206	NED	0.04
8882034410	20100315 INC	1 557 442.00	56 451.27 R 207	NED	0.04
8882034410	20091019 INC	34 646.00	50 236.70 AEG	NED	1.45
8882034410	20100118 INC	2 366.00	10 410.40 AEL	NED	4.40
8882034410	20100315 INC	27 452.00	60 394.40 ASA	NED	2.20
8882034410	20100323 INC	42 511.00	138 704.51 BL	NED	3.26
8882034410	20090928 INC	21 042.00	21 042.00 EXX	NED	1.00
8882034410	20091123 INC	148 383.00	39 024.73 PFT	NED	0.26
8882034410	20091019 INC	284 200.00	62 524.00 FSR	NED	0.22
8882034410	20100901 INC	21 737.00	10 868.50 GFI	NED	0.50
8882034410	20100315 INC	11 053.00	3 315.90 GND	NED	0.30
8882034410	20100315 INC	20 327.00	24 392.40 IMP	NED	1.20
8882034410	20091218 INC	5 821.00	5 821.00 INL	NED	1.00
8882034410	20091027 INC	21 939.00	10 669.37 LBT	NED	0.49
8882034410	20100315 INC	121 673.00	83 414.45 PAP	NED	0.70
8882034410	20091214 INC	49 628.00	19 727.13 PKI	NED	0.40
8882034410	20091211 INC	4 634.00	5 840.60 SAB	NED	1.26
8882034410	20091019 INC	25 388.00	152 328.00 SOL	NED	6.00
8882034410	20091207 INC	23 810.00	47 620.00 STP	NED	2.00
			1 310 271.97		

**SCHEDULE IB - ASSETS HELD IN COMPLIANCE WITH REGULATION 28**

The KwaZulu-Natal Joint Municipal Retirement Fund for the period ending 31st March 2010

<b>A. TOTAL ASSETS OF THE FUND AS PER STATEMENT OF FUNDS AND NET ASSETS</b>	<b>1,883,223,991</b>
<b>B. LESS: NON-INVESTMENT ITEMS OF STATEMENT OF NET ASSETS &amp; FUNDS</b>	<b>10,476,018</b>
1 FIXED ASSETS	0
2 CURRENT ASSETS ( EXCLUDING CASH AT BANK)	10,476,018
<b>C. FAIR VALUE OF ASSETS - COMPLIANCE</b>	<b>1,872,747,973</b>

Categories of assets	Total Fair Value R	Weight	Max Weight
1. Deposits in banks, mutual banks, Postbank and SAFEX:	254,068,961	13.57%	100%
(a) Deposits and balances in current and savings accounts with a bank or mutual bank, including negotiable deposits and money market instruments in terms of which such bank is liable, or deposits and savings accounts, accounts with the Post Office Savings Bank and margin deposits with SAFEX:	254,068,961	13.57%	100%
(i) Per bank or mutual bank	248,810,111	13.29%	20%
(ii) Postbank	-	0.00%	20%
(iii) SAFEX	5,258,850	0.28%	5%
(b) Deposits and balances in current and savings accounts with a bank outside the Republic including negotiable deposits and money market instruments in terms of which such a bank is liable	-	0.00%	15%
2. Kruger Rands	-	0.00%	10%
3. Bills, bonds and securities issued or guaranteed loans to or guaranteed by-	5,049,964	0.27%	100%
(a) Inside the Republic-	5,049,964	0.27%	100%
(i) Local authorities by law to levy rates upon immovable property	-	0.00%	20%
-per local authority	-	0.00%	20%
(ii) Development boards established by section 4 of the Black Communities Development Act, 1984 (Act No. 4 of 1984)	-	0.00%	20%
(iii) Rand Water Board	550,390	0.03%	20%
(iv) Eskom	4,499,574	0.24%	20%
(v) Land and Agricultural Bank of South Africa	-	0.00%	20%
(vi) Local Authorities Loans Fund Board	-	0.00%	20%
(b) Territories outside the Republic - Bills, bonds and securities issued or guaranteed by the foreign Government concerned	-	0.00%	15%
4. Bills, bonds and securities issued by and loans to an institution in the Republic, which bills, bonds, securities and loans the Registrar approved in terms of section 19 (1) (h) of the Act before the deletion of that section by section 8 (a) of the Act No. 53 of 1989, also bills, bonds and securities issued by and loans to an institution in the Republic, which institution the Registrar likewise approved before such deletion	230,201,038	12.29%	100%
- per institution	230,201,038	12.29%	20%
5. Bills, bonds and securities issued by the government of or by a local authority in a territory other than the Republic, which territory the Registrar approved in terms of section 19 (1) (i) of the Act before the deletion of that section by section 8 (a) of Act No. 53 of 1989, and also bills, bonds and securities issued by an institution in such an approved territory, which institution the Registrar likewise approved before such deletion:	-	0.00%	100%
- per authority	-	0.00%	20%
Limitations in respect of investments in items 6 and 7	1,298,695,036	69.35%	90%
6. Immovable property and claims secured by mortgage bonds thereon. Units in collective investment schemes in property shares and shares in, loans to and debentures, both convertible and non-convertible, of property companies:	76,913,497	4.11%	25%
These investments are subject to the following limitation:	-	0.00%	0.00%
(a) inside the Republic-	76,913,497	4.11%	25%



Per any single property or property development project	76,913,497	4.11%	5%
(b) outside the Republic-	-	0.00%	10%
Per any single property or property development project	-	0.00%	5%
		0.00%	
		0.00%	
		0.00%	
7. Preference and ordinary shares in companies excluding shares in property companies. Convertible debentures, whether voluntarily or compulsorily convertible and units in equity unit trust schemes which objective it is to invest their assets mainly in shares:	1,221,781,539	65.24%	75%
Subject to the following limitations:		0.00%	
(a) Inside the Republic-	814,437,883	43.49%	75%
Preference and ordinary shares in companies. Convertible debentures whether voluntarily or compulsorily convertible		0.00%	
(i) Unlisted shares, unlisted convertible debentures, shares and convertible debentures listed in the Development Capital Sector of the JSE	1,924,358	0.10%	5%
(ii) Shares and convertible debentures listed on the JSE, other than the Development Capital Sector	812,513,526	43.39%	75%
(aa) Companies with a market capitalisation of R2000 million or less	10,487,582	0.56%	75%
- per Company	10,487,582	0.56%	10%
(bb) Companies with a market capitalisation of more than R2000 million	802,025,944	42.83%	75%
- per Company	802,025,944	42.83%	15%
		0.00%	
		0.00%	
(b) Territories outside the Republic-	44,577,047	2.38%	15%
Preference and ordinary shares in companies. Convertible debentures whether voluntarily or compulsorily convertible		0.00%	
(i) Unlisted shares, unlisted convertible debentures	-	0.00%	2.5%
(ii) Shares and convertible debentures listed on any recognised foreign exchange	44,577,047	2.38%	15%
(aa) Companies with a market capitalisation of R2000 million or less	-	0.00%	15%
- per Company	-	0.00%	10%
(bb) Companies with a market capitalisation of more than R2000 million	44,577,047	2.38%	15%
- per Company	44,577,047	2.38%	15%
		0.00%	
		0.00%	
(c) Inside the Republic-		0.00%	
Units in equity collective investment schemes which objective is to invest their assets mainly in shares	157,756,421	8.42%	75%
		0.00%	
(d) Outside the Republic -		0.00%	
Units in equity collective investment schemes which objective is to invest their assets mainly in shares	205,010,188	10.95%	15%
		0.00%	
8. Listed and unlisted debentures, units in collective investment schemes with the objective to invest in income generating securities and any secured claim against individuals and companies	-	0.00%	25%
These investments are subject to the following limitations:		0.00%	
(a) Inside the Republic-	-	0.00%	25%
(i) Claims against residents-	-	0.00%	25%
- claim per any one individual resident	-	0.00%	0.25%
(i) Claims against companies-	-	0.00%	25%
- claim per any one company	-	0.00%	5%
		0.00%	
(b) Territories outside the Republic-	-	0.00%	15%
(i) Claims against residents-	-	0.00%	15%
- claim per any one individual resident	-	0.00%	0.25%
(i) Claims against companies-	-	0.00%	15%
- claim per any one company	-	0.00%	5%
		0.00%	
9. Investments in the business of a participating employer inside the Republic in terms of-	-	0.00%	
(a) The provision of section 19 (4) of the Act	-	0.00%	5%
(b) The exemptions granted in terms of section 19 (4A) of the Act	-	0.00%	10%
		0.00%	
10. Any other assets not referred to in this Annexure, excluding-	-	0.00%	2.5%
(a) Money in hand in the Republic	-	0.00%	95%
(b) Loans granted to members in accordance with-	-	0.00%	95%
(i) The provisions of Section 19 (5) of the Act	-	0.00%	
(ii) Exemptions granted in terms of Section 19 (6) (a) of the Act	-	0.00%	
		0.00%	
		0.00%	
Limitations for investment in items 6-9, and items 10 (a) and (b)	1,298,695,036	69.35%	95%
		0.00%	
(c) Bills, bonds or securities issued or guaranteed by the Government of the Republic or by a provisional administration	84,732,974	4.52%	100%

(d) Units in a collective investment scheme as defined in the Collective Investment Schemes Control Act, 2002, the underlying assets of which consist only of-		0.00%	100%
(i) Assets referred to in paragraphs (i), (ii) and (iii) of item 1 (a) of this Annexure	254,068,961	13.57%	100%
(ii) Assets referred to in paragraph (c) of item 10 of this Annexure, or	84,732,974	4.52%	100%
(iii) Assets referred to in items 3, 4, and 5 of this Annexure	235,251,002	12.56%	100%
		0.00%	
11. Fair value of units in a collective investment scheme included in total assets to be excluded in terms of subregulation (2) (a) (i) of Regulation 28	-	0.00%	
		0.00%	
12. Fair value of insurance policies included in total assets to be excluded in terms of subregulations 2 (a) (ii) and (3) of Regulation 28	-	0.00%	
<b>TOTAL (equal to the fair value of assets (C) above)</b>	<b><u>1,872,747,973</u></b>	<b>100%</b>	

Investments outside the Republic	Fair Value R	% of Fair Value	%
(a) Deposits with banks outside the Republic	-	0%	15%
(b) Bills, bonds and securities issued by a Government outside the Republic	-	0%	15%
(c) Immovable property, units in collective investment schemes in property shares, shares in, loans to and debentures	-	0%	10%
(d) Preference and ordinary shares in companies, convertible debentures outside the Republic	44,577,047	18%	15%
(e) Units in equity collective investment schemes outside the Republic	66,106,250	26%	15%
(f) Debentures and other secured claims against individuals and companies and units in income collective investment	-	0%	15%
(g) Other	138,903,938	56%	2.5%
<b>TOTAL</b>	<b><u>249,587,235</u></b>	<b><u>100%</u></b>	

(Limited to 15% of fair value of assets in Annexure)

**Notes:**

- Credit balances in current accounts must be included in item 1.
- If the investments exceed the limit per institution/company/individual and no exemption has been obtained, the details below must be completed for each institution in each category of assets.

Investments in institution/company/individual	Fair Value R	% of Fair Value	Item
<b>EXEMPTIONS GRANTED BY THE REGISTRAR</b>			
Item	Date of Letter	Expiry Date	Max %

## ***ANNEXURE E***

## **REPORT OF THE AUDITOR-GENERAL TO THE TRUSTEES OF THE NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT) AND THE REGISTRAR OF PENSION FUNDS**

I have audited the attached Schedule IB 'Assets of the fund held in compliance with Regulation 28' (the "Schedule") by Natal Joint Municipal Pension Fund (Retirement) (the Fund) as at 31 March 2010, as set out on Annexure D.

### **Board of Trustees' Responsibility for Schedule IB**

The board of trustees is responsible for the preparation of the Schedule in accordance with Regulation 28 of the Pension Funds Act of South Africa (the Act), from information derived from the accounting records of the fund, and for ensuring that the Schedule is in compliance with Regulation 28 of the Act. This responsibility includes:

- designing, implementing and maintaining internal control relevant to the preparation and presentation of the Schedule that is free from material misstatement, whether due to fraud or error;
- selecting and applying appropriate accounting policies; and
- making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

My responsibility is to express an opinion on the Schedule based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the Schedule 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, Schedule IB 'Assets of the fund held in compliance with Regulation 28' by the Natal Joint Municipal Pension Fund (Retirement) as at 31 March 2010 year ended has been prepared, in all material respects, in accordance with the requirements of Regulation 28 of the Pension Funds Act of South Africa.

**Other matter - Restriction on use and distribution**

Schedule IB is prepared solely for regulatory purposes and as a result, the Schedule and related auditor's report may not be suitable for another purpose and may not be distributed to or relied upon by any parties other than the trustees and the Registrar of Pension Funds.

*Pietermaritzburg*

Pietermaritzburg

15 October 2010



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

