

# **ANNUAL REPORT - 2010**

---



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

**31 MARCH 2010**

## ANNUAL REPORT

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

**FINANCIAL SERVICES BOARD  
REGISTRATION NUMBER** : 12/8/553/2

**SOUTH AFRICAN REVENUE  
SERVICES APPROVAL NUMBER** : 5537 699 844

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

### CONTENTS

Schedule	ITEM	Schedule	ITEM
Regulatory Information	1	Statement of changes in net assets and funds	6 Annexure B
Statement of responsibility by the Committee of Management	2	Notes to the financial statements	6 Annexure B
Statement of responsibility by the Principal Officer	3	Report by the independent auditors to the Registrar of Pension Funds on factual findings	7 Annexure C
Report of the auditor-general	4 Annexure A	Assets held in compliance with Regulation 28	8 Annexure D
Report of the Committee of Management	5	Schedule IA pertaining to annual financial statements	8 Annexure D
Statement of net assets and funds	6 Annexure B	Assurance report of the independent auditors to the Registrar of Pension Funds	9 Annexure E
		Report of the valuator	10 Annexure F

## **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, appearing to be 'S. Camilleri', written over a horizontal line.

**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

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

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

### Financial reporting periods

Current Period:	Previous Period:
1 April 2009 to 31 March 2010	1 April 2008 to 31 March 2009

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

Principal 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**

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

**- Member Representatives**

Full Name	Date Appointed	Date Resigned
Mrs. Jones Jennifer Nola	23.01.2009	05.02.2010*
Mr. Bezuidenhout Nicolaas Christiaan	20.02.2006	-
Mr. Emslie Patrick Harry	23.09.2005	05.02.2010*
Mr. Jaggeth Karamchund Moneser(C)	19.04.2002	-
Mr. Mulder Ockert Johannes	11.12.1998	05.02.2010*
Mr. Velan Ganasen Moonsamy	19.02.2010	-
Mr. E. Hauptfleisch Eugene	05.02.2010	-
Mr. J.N. Joubert	19.03.2010	-

\* due to non-election by municipality

**- Pensioner Representative**

Full Name	Date Appointed	Date Resigned
Mr. Peter Joseph Bailey	01.09.2000	-

**- Provincial Minister of Local Government Representative**

Full Name	Date Appointed	Date Resigned
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) 5607000
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) 2690000
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) 2943166
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 FOR THE YEAR ENDED 31 MARCH 2010**

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 adequate and appropriate information was communicated to the members of the Fund, informing them of their rights, benefits and duties in terms of the regulations of the Fund; 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; and
- 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

### 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 five-year periods

### Performance results

Year	CPI + 4.5%	Superannuation Fund % Return
5 years to 31 <sup>st</sup> March 2010	11,4	15,5

Year	Superannuation Fund % Return	Benchmark + 2%
5 years to 31 <sup>st</sup> March 2010	15,5	14,3

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 authorized 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.

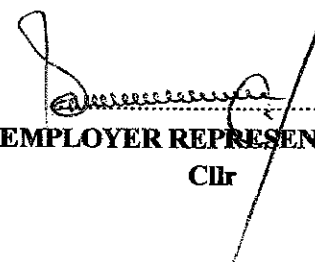
These financial statements have been reported on by the Auditor-General, who was given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Committee of Management believes that all representations made to the Auditor-General during their audit 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; and
- are certified by them to the best of their knowledge to be true; and
- 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
-------	---	---	---	---	---	---	---	---

  
CHAIRPERSON  
MR. K. M. JAGGETH

  
EMPLOYER REPRESENTATIVE  
Cllr

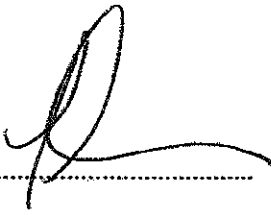
  
MEMBER REPRESENTATIVE

**SCHEDULE - C**

**Item 3**

**STATEMENT OF RESPONSIBILITY BY THE PRINCIPAL OFFICER FOR THE YEAR  
ENDED 31 MARCH 2010**

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 'S' followed by a horizontal line extending to the right.

**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 (SUPERANNUATION) AND THE REGISTRAR OF PENSION FUNDS ON THE FINANCIAL STATEMENTS OF THE NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) 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 (Superannuation), 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 (Superannuation) 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 to 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 FOR THE YEAR ENDED 31 MARCH 2010**

#### **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 Superannuation Fund was established in 1942 as a defined benefit fund, and provides lump sum and monthly pension benefits to members upon early retirement from age 55 to normal retirement at age 65, and to spouses and eligible children 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 9,25% of their pensionable emoluments in terms of regulation 19(1) whilst participating employers contribute at a rate of 18,00% of members' pensionable emoluments in terms of regulation 21(1)(b) together with a surcharge of 6% of members' pensionable emoluments.

The regulations do not make provision for reserves.

#### **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 five-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 five-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	1 697 469 352.08	1 393 756 431.62
CORONATION FUND MANAGERS	1 377 758 623.15	1 042 821 782.13
PRUDENTIAL PORTFOLIO MANAGERS	1 307 652 169.46	1 015 843 350.93
NJMPF(S)	23 464 212.94	22 758 221.35
<b>Total value of domestic investments managed</b>	<b>4 406 344 357.63</b>	<b>3 475 179 786.03</b>

##### **- International Assets**

<b>MANAGER</b>	<b>VALUE OF ASSETS R</b>	
	<b>2010</b>	<b>2009</b>
ALLAN GRAY LIMITED	64 529 280.80	55 763 375.00
CORONATION FUND MANAGERS	28 108 447.11	25 760 724.37
PRUDENTIAL PORTFOLIO MANAGERS	21 695 417.38	21 731 984.99
RUSSELL INVESTMENT GROUP LTD	204 443 883.70	169 777 911.60
ORBIS INVESTMENT MANAGEMENT LTD	432 543 457.25	379 167 576.00
<b>Total value of international investments managed</b>	<b>751 320 486.24</b>	<b>652 201 571.96</b>

## Membership statistics

### - Contributing Members

Membership of the Fund decreased by 4.33% to a total of 5618 during the year as reflected hereunder:

	2010	2009
<b>Membership as at 1 April 2009</b>	<b>5 872</b>	<b>6 230</b>
<b>Admissions</b>	<b>125</b>	<b>1 459</b>
Transfer External	-	-
Internal	7	1 350
Fund	19	29
Re-admission	-	1
New Members	99	79
<b>Exits</b>	<b>377</b>	<b>1817</b>
Retirement At pension/optional retirement age	44	44
Early	53	61
Ill-health (at least 10 years service)	23	26
(less than 10 years service)	5	5
Retrenchment (at least 10 years service)	-	1
(less than 10 years service)	-	-
Death	87	70
Resignation	94	168
Dismissal	13	27
Transfer Internal	7	1 350
External	25	27
External – Retirement Fund	-	-
Provident Fund	21	19
Deferred Beneficiary		
Other	5	19
<b>Membership as at 31 March 2010</b>	<b>5 620</b>	<b>5 872</b>

- Pensioners/Dependant Beneficiaries

The number of pensioners and dependant beneficiaries increased by 1.85% to a total of 3 629 during the year as reflected hereunder:-

	PENSIONERS			DEPENDANT		
	ORDINARY			BENEFICIARIES		
		Pensioners	* Other	Widows	Children only	
At beginning of year		1 887	95	1079	502	
Additions		338	0	232	399	
Exits		346	2	204	351	
At end of year		1879	93	1107	550	

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

- Deferred Pensioners

	Number
At beginning of year	11
Additions	1
Exits	1
At end of year	11

- **Unclaimed Benefits**

	<b>AMOUNT R</b>
At beginning of year	3 915 348.70
Unclaimed benefits received	4 772 665.70
Unclaimed benefits paid	1 565 884.96
Forfeited to the Fund	-
<b>At end of year</b>	<b>7 122 129.44</b>

- **Actuarial Report**

Please refer to attached Actuarial Report for the Superannuation 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.

- **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

## ***ANNEXURE B***

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) ( REF. NO. 12/8/553/2)**  
**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>		5,158,676,626.63	4,128,242,180.86
PROPERTY PLANT AND EQUIPMENT	1	1,011,782.76	860,822.87
INVESTMENTS	2	5,157,664,843.87	4,127,381,357.99
HOUSING FACILITIES	3	0.00	0.00
SURPLUS IMPROPERLY UTILISED RECEIVABLE	22	0.00	0.00
<b>CURRENT ASSETS</b>		42,722,273.80	49,802,090.86
TRANSFERS RECEIVABLE	5	1,331,140.74	420,458.82
ACCOUNTS RECEIVABLE	4	6,020,080.98	22,618,014.84
CONTRIBUTIONS RECEIVABLE	12	20,535,283.68	18,695,313.71
CASH AT BANK	24	14,835,768.40	8,068,303.49
SURPLUS IMPROPERLY UTILISED RECEIVABLE	22	0.00	0.00
<b>TOTAL ASSETS</b>		5,201,398,900.43	4,178,044,271.72
<b>FUNDS AND LIABILITIES</b>			
<b>MEMBERS' FUNDS AND SURPLUS ACCOUNT</b>		5,092,299,700.76	4,123,146,505.34
ACCUMULATED FUNDS		5,092,299,700.76	4,123,146,505.34
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>		5,092,299,700.76	4,123,146,505.34
<b>NON-CURRENT LIABILITIES</b>		8,892,076.90	5,719,764.09
EMPLOYER SURPLUS ACCOUNTS	21	0.00	0.00
FINANCIAL LIABILITIES	16.1	0.00	0.00
PROVISIONS	16.2	1,769,947.46	1,804,415.39
UNCLAIMED BENEFITS	9	7,122,129.44	3,915,348.70
<b>CURRENT LIABILITIES</b>		100,207,122.77	49,178,002.29
TRANSFERS PAYABLE	7	26,932,354.69	12,209,427.36
BENEFITS PAYABLE	8	52,077,249.75	24,024,428.59
ACCOUNTS PAYABLE	10	21,197,518.33	14,925,649.42
RETIREMENT FUND TAXATION	11	0.00	( 1,981,503.08 )
<b>TOTAL FUNDS AND LIABILITIES</b>		5,201,398,900.43	4,178,044,271.72

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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	279,672,404.64	259,236,291.76
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	1,004,482,037.44	(321,958,001.85)
(LESS) ALLOCATED TO UNCLAIMED BENEFITS		0.00	0.00
OTHER INCOME		0.00	0.00
LESS:		10,120,329.13	8,725,647.86
REINSURANCE PREMIUMS		0.00	0.00
ADMINISTRATION EXPENSES	14	9,328,230.49	10,003,980.70
RETIREMENT FUND TAXATION	11	792,098.64	(1,278,332.84)
NET INCOME BEFORE BENEFITS AND TRANSFERS		1,274,034,112.95	(71,447,357.95)
TRANSFERS AND BENEFITS		304,880,917.53	254,989,684.62
TRANSFERS FROM OTHER FUNDS	5	4,181,228.46	9,843,703.56
TRANSFERS TO OTHER FUNDS	7	21,463,053.11	12,779,843.37
BENEFITS - CURRENT MEMBERS	8	287,599,092.88	252,053,544.81
NET INCOME AFTER BENEFITS AND TRANSFERS		969,153,195.42	(326,437,042.57)
FUNDS AND RESERVES		4,123,146,505.34	4,449,583,547.91
BALANCE AT BEGINNING OF PERIOD		4,123,146,505.34	4,451,207,467.45
PRIOR-YEAR ADJUSTMENTS		0.00	(622,143.16)
OTHER	9	0.00	(1,001,776.38)
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		5,092,299,700.76	4,123,146,505.34

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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 the 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 balance sheet 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 (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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 investment income received 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 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 balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet 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 profit or loss 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 (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**1. PROPERTY, PLANT AND EQUIPMENT**  
**1.1 CURRENT YEAR**

NOTE	COMPUTER EQUIP. & SOFTWARE R	OFFICE EQUIPMENT R	FURNITURE & FITTINGS R	TOTAL R
GROSS CARRYING AMOUNT AT BEGINNING OF PERIOD	693,782.20	576,038.59	26,660.74	1,296,481.53
ADDITIONS	161,920.81	205,807.74	9,205.50	376,934.05
LESS DISPOSALS	47,078.26	0.00	0.00	47,078.26
ADJ. TO USEFUL LIFE OF ASSETS	0.00	0.00	0.00	0.00
OTHER MOVEMENTS	14,430.01	(50,550.37)	10,366.12	(25,754.24)
AT 31/03/2010	823,054.76	731,295.96	46,232.36	1,600,583.08
LESS: ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES AT BEGINNING OF PERIOD	244,564.80	173,705.63	17,388.23	435,658.66
LESS DEPRECIATION CHARGES	116,707.11	109,301.66	3,702.96	229,711.73
ADD ACCUM. DEPRECIATION ON DISPOSALS	46,475.09	0.00	0.00	46,475.09
LESS IMPAIRMENT WRITE DOWN	0.00	0.00	0.00	0.00
LESS OTHER MOVEMENTS	14,151.82	(50,550.37)	6,303.57	(30,094.98)
NET CARRYING AMOUNT 31/03/2010	494,106.12	498,839.04	18,837.60	1,011,782.76

**1.2 PREVIOUS YEAR**

NOTE	COMPUTER EQUIP. & SOFTWARE R	OFFICE EQUIPMENT R	FURNITURE & FITTINGS R	TOTAL R
GROSS CARRYING AMOUNT AT BEGINNING OF PERIOD	408,594.77	127,895.18	20,508.26	556,998.21
ADDITIONS	336,467.61	397,593.04	0.00	734,060.65
LESS DISPOSALS	56,506.87	0.00	0.00	56,506.87
ADJ. TO USEFUL LIFE OF ASSETS	5,226.69	50,550.37	6,152.48	61,929.54
OTHER MOVEMENTS	0.00	0.00	0.00	0.00
AT 31/03/2009	693,782.20	576,038.59	26,660.74	1,296,481.53
LESS: ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES AT BEGINNING OF PERIOD	160,356.15	123,702.68	16,474.15	300,532.98
LESS DEPRECIATION CHARGES	111,630.98	50,002.95	914.08	162,548.01
ADD ACCUM. DEPRECIATION ON DISPOSALS	27,422.33	0.00	0.00	27,422.33
LESS IMPAIRMENT WRITE DOWN	0.00	0.00	0.00	0.00
LESS OTHER MOVEMENTS	0.00	0.00	0.00	0.00
NET CARRYING AMOUNT 31/03/2009	449,217.40	402,332.96	9,272.51	860,822.87

Notes:

- The asset schedule has been adjusted to reflect the correct gross carrying amount at the beginning of the year and excluding all nominal value items. All nominal items below R5,000 are now reflected on an inventory register. Accumulated depreciation has been adjusted to reflect the apportioned amount for
- Certain assets have been revalued to reflect the new useful life of the assets. Some PCs have an extended useful life of 3 months. Certain office equipment and furniture have an extended useful life of 3 years. The book values have been adjusted accordingly.

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**2. INVESTMENTS**

NOTES	TOTAL LOCAL		TOTAL FOREIGN	FAIR VALUE		FAIR VALUE		CATEGORIZED PER	
	R		R	2010	R	2009	R	AC/133	R
CASH AND DEPOSITS	753,623,063.02			753,623,063.02		634,740,830.18		A	
KRUGER HANDS	0.00			0.00		0.00		A	
LOANS OTHER THAN HOUSING	0.00			0.00		0.00		A	
DEBENTURES	0.00			0.00		0.00		A	
BILLS BONDS AND SECURITIES	971,999,383.49			971,999,383.49		441,034,043.66		A	
INVESTMENT PROPERTIES	0.00			0.00		0.00		A	
EQUITIES	2,223,691,502.86		112,646,837.60	2,336,338,340.46		2,097,502,172.54		A	
EQUITIES WITH PRIMARY LISTING ON	1,662,063,842.14			1,662,063,842.14		1,610,062,273.80		A	
EQUITIES WITH SECONDARY LISTING ON	561,627,660.72			561,627,660.72		383,545,686.38		A	
JSE	0.00		112,646,837.60	112,646,837.60		103,256,084.36		A	
FOREIGN LISTED EQUITIES	0.00			0.00		0.00		A	
EQUITY INDEXED LINKED INVESTMENTS	0.00			0.00		638,128.00		A	
UNLISTED EQUITIES	0.00			0.00		4,660,505.90		A	
PREFERENCE SHARES	0.00			0.00		208,334,940.33		A	
INSURANCE POLICIES	0.00			0.00		0.00		A	
NON LINKED RELATED POLICIES	0.00			0.00		208,334,940.33		A	
LINKED RELATED POLICIES	458,716,775.80		204,443,883.70	663,160,659.50		712,035,680.38		A	
COLLECTIVE INVESTMENT SCHEMES	0.00			0.00		29,073,185.00		A	
DERIVATIVE MARKET INSTRUMENTS	0.00			0.00		0.00		A	
PARTICIPATING MORTGAGE BONDS	0.00			0.00		0.00		A	
INVESTMENT IN PARTICIPATING	0.00		432,543,397.40	432,543,397.40		0.00		A	
OTHER	0.00			0.00		0.00		A	
<b>TOTAL LOCAL AND FOREIGN</b>	<b>4,408,030,725.17</b>		<b>749,634,118.70</b>	<b>5,157,664,843.87</b>		<b>4,127,381,357.99</b>		<b>A</b>	

**(IAS39 - At fair value through statement of changes in net assets and funds )**

**A - Held for trading - Fair Value**

0.00

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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**

	<b>2010</b>	<b>2009</b>
	<b>R</b>	<b>R</b>
ACCRUED INTEREST /DIVIDENDS	0.00	14,859,362.95
ADMINISTRATION	0.00	0.00
CONTRIBUTIONS	0.00	0.00
FUND MANAGERS	0.00	0.00
INTEREST	0.00	347,321.41
L.A. - ANNUITY REFUNDS	566,318.85	1,476,487.98
L.A. - MEDICAL BOARD FEES	21,638.36	32,233.72
L.A. - PENALTY INTEREST DUE	88,268.71	25,425.91
L.A. - SURCHARGES	2,574,741.00	3,325,522.00
SUNDRY DEBTORS	635,461.40	422,309.13
PENSIONS - REFUNDS OF OVER PAYMENTS	331,714.99	194,126.90
PREPAID FUND MANAGERS FEES	0.00	11,100.51
PROPERTY AND ALLIED	0.00	0.01
PENSIONABLE SERVICE DEBTORS	1,236,795.20	1,457,291.90
STAFF VEHICLE LOANS	565,142.47	466,832.42
SUBSISTENCE AND TRAVELLING	0.00	0.00
TRANSFERS INWARD	0.00	0.00
<b>TOTAL</b>	<b>6,020,080.98</b>	<b>22,618,014.84</b>

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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 APPROVED	AT BEGINNING OF PERIOD	AMOUNTS RAISED AT END OF PERIOD	RETURN ON TRANSFERS	ASSETS TRANSFERRED	AT END OF PERIOD
		R	R	R	R	R	R
IN TERMS OF SECTION 14							
KZNMPP	12	749,425.75	372,195.67	1,780,593.51	138,298.83	1,169,466.59	1,121,621.42
NJMPP (R)	8	161,256.47	48,263.15	1,977,657.30	284,678.82	2,101,079.95	209,519.32
OTHER	0		0.00	0.00	0.00	0.00	0.00
IN TERMS OF SECTION 15B							
TOTAL	20	910,682.22	420,458.82	3,758,250.81	422,977.65	3,270,546.54	1,331,140.74

**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 APPROVED	AT BEGINNING OF PERIOD	AMOUNTS RAISED AT END OF PERIOD	RETURN ON TRANSFERS	ASSETS TRANSFERRED	AT END OF PERIOD
		R	R	R	R	R	R
IN TERMS OF SECTION 14							
KZNMPP	27	1,790,179.86	1,433,080.69	6,691,444.51	856,811.47	5,510,176.16	3,471,160.51
NJMPP (R)	0	0.00	0.00	0.00	0.00	0.00	0.00
OTHER	30	13,144,905.64	10,776,346.67	10,485,882.77	3,428,994.36	1,229,949.62	23,461,194.18
IN TERMS OF SECTION 15B							
TOTAL	57	14,935,085.50	12,209,427.36	17,177,327.28	4,285,805.83	6,740,125.78	26,932,354.69

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**8. BENEFITS**

**8.1 BENEFITS - CURRENT MEMBERS**

	A AT BEGINNING OF PERIOD R	B BENEFITS FOR CURRENT PERIOD R	C RETURN ALLOCATED R	D PAYMENTS R	E TRF'D TO UNCLAIMED BENEFITS R	A+B+C-D-E AT END OF PERIOD R
MONTHLY PENSION	0.00	164,514,552.96	0.00	164,514,552.96	0.00	0.00
LUMP SUM ON RETIREMENT	6,170,903.66	67,631,757.02	951,843.20	54,471,042.41	252,446.58	19,991,014.89
- FULL BENEFIT	6,170,903.66	67,631,757.02	951,843.20	54,471,042.41	252,446.58	19,991,014.89
- PENSIONS COMMUTED	0.00	0.00	0.00	0.00	0.00	0.00
LUMP SUM BEFORE RETIREMENT	17,853,524.39	47,562,004.40	3,182,507.94	36,212,246.07	2,914,334.16	29,471,455.50
- DISABILITY BENEFITS PAID BY THE FUND	0.00	0.00	0.00	0.00	0.00	0.00
- DEATH BENEFITS	8,501,280.82	11,925,261.78	1,803,017.16	7,879,465.30	1,537,403.05	12,792,691.41
- WITHDRAWALS 10 YEARS OR MORE	9,303,665.07	35,316,114.27	1,372,376.45	28,005,794.18	1,437,196.19	16,531,165.42
- WITHDRAWALS < 10 YEARS	48,578.50	315,255.88	12,486.80	328,986.59	(100,265.08)	147,599.67
- RETIREMENTS	0.00	5,372.47	(5,372.47)	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	3,756,427.36	0.00	2,653,827.47	0.00	1,102,599.89
STALE CHECKS	0.00	0.00	0.00	(1,512,178.47)	0.00	1,512,178.47
TOTAL (7.1)	24,024,428.05	283,464,741.74	4,134,351.14	256,339,490.44	3,206,786.74	52,077,249.75

BENEFITS FOR CURRENT PERIOD ( B ) INCLUDING RETURN ALLOCATED ( C )

283,464,741.74

RETURN ALLOCATED ( C ) TO INVESTMENT INCOME

4,134,351.14

STATEMENT OF CHANGES IN NET ASSETS AND FUNDS

287,599,092.88

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**9 UNCLAIMED BENEFITS**

	2010 R	2009 R
BALANCE AT BEGINNING OF PERIOD	3,915,348.70	744,501.56
TRANSFERRED FROM BENEFITS PAYABLE & ACCUM. FUNDS	4,772,665.70	4,172,623.52
INVESTMENT INCOME ALLOCATED	0.00	0.00
LESS:	1,565,884.96	1,001,776.38
TRACING EXPENSES	0.00	0.00
ADMINISTRATION EXPENSES	0.00	0.00
FORFEITED TO THE FUND	0.00	0.00
BENEFITS PAID	1,565,884.96	1,001,776.38
BALANCE AT END OF PERIOD	7,122,129.44	3,915,348.70

**10. ACCOUNTS PAYABLE**

	2010 R	2009 R
ACTUARY'S FEES	64,054.32	0.00
MINIMUM LEASE PAYMENT	29,899.77	41,760.28
CONTRIBUTIONS PAID IN ADVANCE	14,028,811.63	12,448,630.59
CONTRIBUTIONS DUE FOR REFUND	513,684.29	513,684.29
AUDIT FEES	13,452.00	0.00
ADMIN EXPENSES AS PER MEMBERS RATIO	1,383,357.21	1,832,559.30
OPERATING EXPENSES	0.00	60,613.10
PROPERTY & ALLIED	0.00	28,401.86
PENSIONERS - MEMBER PAYMENTS & TAX DEDUCTIONS	2,896,352.27	0.00
SUNDRY CREDITORS	2,129,606.05	0.00
UNPAID PENSIONS	138,300.79	0.00
TOTAL	21,197,518.33	14,925,649.42

**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	( 1,981,503.08 )	( 703,170.24 )
RET. FUND TAXATION - CURRENT	792,098.64	( 1,278,332.84 )
RET. FUND TAXATION - PRIOR YEAR UNDERPROVISION	0.00	0.00
RETIREMENT FUND NET TAXATION PAID /(REFUNDED)	( 1,189,404.44 )	0.00
AT END OF PERIOD	0.00	( 1,981,503.08 )

NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)

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	4,858,558.33	75,506,603.07	0.00	74,819,135.88	5,446,025.52
EMPLOYER CONTRIBUTIONS - RECEIVED AND ACCURED	10,169,343.71	147,005,737.17	0.00	146,382,815.00	10,792,265.88
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	0.00	0.00	0.00	0.00	0.00
ADDITIONAL CONTRIBUTION IN RESPECT OF ACTUARIAL SHORTFALL - EMPLOYER	3,667,411.67	57,160,064.40	0.00	56,630,483.79	4,196,992.28
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>18,695,313.71</b>	<b>279,672,404.64</b>	<b>0.00</b>	<b>277,831,434.67</b>	<b>20,535,283.68</b>

TOWARDS RETIREMENT

279,672,404.64

TOWARD RE-INSURANCE AND EXPENSES

0.00

STATEMENT OF CHANGES IN NET  
ASSETS AND FUNDS

279,672,404.64

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) ( REF. NO. 12/8/553/2)**  
**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>216,853,160.74</b>	<b>275,766,732.12</b>
DIVIDENDS	83,981,147.52	112,687,491.91
INTEREST	132,872,013.22	163,079,240.21
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>91,534.12</b>	<b>33,801.57</b>
<b>INTEREST LEVIED ON SURPLUS IMPROPERLY USED</b>	<b>0.00</b>	<b>0.00</b>
<b>ADJUSTMENT TO FAIR VALUE</b>	<b>810,472,646.25</b>	<b>( 575,546,553.53 )</b>
PROFIT /(LOSS) ON SALES OF INVESTMENTS	152,991,071.30	40,867,331.27
INVESTMENTS WRITTEN UP/DOWN	657,424,176.51	( 616,475,814.34 )
ADJUSTMENTS	57,398.44	61,929.54
<b>SUB TOTAL</b>	<b>1,027,417,341.11</b>	<b>( 299,746,019.84 )</b>
<b>LESS:</b>	<b>22,935,303.67</b>	<b>22,211,982.01</b>
COST INCURRED IN MANAGING INVESTMENTS	22,935,303.67	22,211,982.01
INTEREST PAID ON BORROWINGS	0.00	0.00
<b>TOTAL</b>	<b>1,004,482,037.44</b>	<b>( 321,958,001.85 )</b>

**14. ADMINISTRATION EXPENSES**

	NOTES	2010 R	2009 R
<b>COST OF ADMINISTRATION</b>		<b>5,936,992.18</b>	<b>6,202,004.99</b>
ADMINISTRATION EXPENSES		1,162,406.98	1,053,104.28
AMOUNTS WRITTEN OFF		0.00	0.00
DEPRECIATION - AT COST		229,711.73	191,432.55
LEVIES ( FINANCIAL SERVICES BOARD )		124,019.50	89,249.16
OFFICE EXPENSES		585,302.69	605,941.21
OPERATING LEASE PAYMENTS		431,987.01	399,106.40
PENALTIES		0.00	0.00
PROJECT COSTS - NEW IT PLATFORM		490,532.29	632,115.58
STAFF COSTS & PRINCIPAL OFFICER EXPENSES	14.2	2,913,031.98	3,231,055.81
SECRETARIAL FEES			
<b>NON-ADMINISTRATIVE EXPENSES</b>		<b>3,391,238.31</b>	<b>3,801,975.71</b>
ACTUARY'S FEES		847,044.00	1,511,693.55
AUDIT FEES		364,852.27	456,914.48
AUDIT SERVICES		364,852.27	456,914.48
AUDIT EXPENSES		0.00	0.00
OTHER		0.00	0.00
CONSULTANCY FEES		574,049.54	663,893.32
FEES PAYABLE TO BOARD MEMBERS	14.1	1,038,076.03	748,466.79
FIDELITY COVER		129,750.00	104,796.00
MEMBERS COMMUNICATION		437,466.47	316,211.57
MAILINGS FOR MEMBERS		231,164.58	205,549.52
MEETING COSTS /TRUSTEE TRAINING		206,301.89	110,662.05
<b>TOTAL</b>		<b>9,328,230.49</b>	<b>10,003,980.70</b>

**14.1 FEES PAYABLE TO BOARD MEMBERS**

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) ( REF. NO. 12/8/553/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

	<b>2010</b>	<b>2009</b>
	<b>R</b>	<b>R</b>
REIMBURSIVE MEETING ALLOWANCE	1,038,076.03	748,466.79
<b>TOTAL</b>	<b>1,038,076.03</b>	<b>748,466.79</b>

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

	<b>2010</b>	<b>2009</b>
	<b>R</b>	<b>R</b>
SALARIES	2,509,828.10	2,537,959.62
EMPLOYER CONTRIBUTIONS TO RETIREMENT FUNDS	216,288.05	251,767.87
TRAINING EXPENSES	26,467.25	28,280.36
OTHER	160,448.58	413,047.96
<b>TOTAL</b>	<b>2,913,031.98</b>	<b>3,231,055.81</b>

**14.2.1 PRINCIPAL OFFICER REMUNERATION**

	<b>2010</b>	<b>2009</b>
	<b>R</b>	<b>R</b>
SALARIES	308,232.00	302,223.26
ALLOWANCES	19,440.00	0.00
RETIREMENT FUND CONTRIBUTION	0.00	0.00
BONUS	98,301.60	90,666.98
OTHER PAYMENTS	0.00	0.00
<b>TOTAL</b>	<b>425,973.60</b>	<b>392,890.24</b>

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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
	0.00	0.00

**16.2 PROVISIONS**

	2010 R	2009 R
ACTUARY'S FEES	511,490.92	773,395.60
ACCUMULATED LEAVE	257,770.15	362,427.37
STAFF BONUS	355,998.96	298,848.06
AUDIT FEES	341,740.68	369,744.36
PROJECT - IT PLATFORM INSTALLATION	112,860.00	0.00
DATA PROCESSING	190,086.75	0.00
<b>TOTAL</b>	<b>1,769,947.46</b>	<b>1,804,415.39</b>

**16.3 ACCOUNTING FOR LEASES**

Leases of property, plant and equipment where the Fund 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 (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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>	439 613.06	415 902.29
<b>BETWEEN ONE AND FIVE YEARS</b>	270 116.11	726 614.72
<b>TOTAL</b>	709 729.17	1 142 517.01

**NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**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
TRANSFER 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 (SUPERANNUATION) (REF. NO. 12/8/553/2)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2010**

**22. SURPLUS IMPROPERLY UTILISED RECEIVABLE**

	2010 R	2009 R
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**

	2010 R	2009 R
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**

	2010 R	
CURRENT ACCOUNT	8,796,365.48	8,068,303.49
UNCLAIMED BENEFITS MONEY MARKET ACCOUNT - STANDARD BANK	6,039,402.92	0.00
	14,835,768.40	8,068,303.49

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

NIL

**26. 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 (SUPERANNUATION) 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 (Superannuation) for the period 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 period-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	We found that the investment balances agreed to the details in the confirmations

	Procedures	Findings
	investment balances and agreed details of the confirmations received to the investment balances reflected in the general ledger.	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.

	Procedures	Findings
6	We obtained written confirmation from the fund's insurer that fidelity insurance cover was in place throughout the period ended 31 March 2010.	We found that fidelity insurance cover was in place for the financial period 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 Registrar of Pension Funds.
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 approval had been paid more than 60 days after the approval was received: 209423. 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:	

	Procedures	Findings
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 period 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 period 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.	Not applicable – In terms of the rules of the fund members cannot switch between investment portfolios.
8.4	If a surplus apportionment scheme was approved by the FSB in the current period, we selected a sample of the lesser of 25 or 10% from the surplus	Not applicable – There was no approved surplus apportionment scheme in the current

	Procedures	Findings
	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.	
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 period financial statements.	We found that opening balance agreed to the prior year financial statements.
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, authorised supporting documentation.	We found that the claims agreed to the authorised supporting documentation.

	Procedures	Findings
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 PENSION FUND (SUPERANNUATION)									
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	768,458,770				768,458,770	768,458,770	0	0%
Kruggerands	B	0				0	0	0	0%
Loans	C	0				0	0	0	0%
Debentures	C	971,999,383				971,999,383	971,999,383	0	0%
Bills, bonds and securities	D	0				0	0	0	0%
Properties	E	2,336,338,340				2,336,338,340	2,336,338,340	0	0%
Equities:		1,662,063,842				1,662,063,842	1,662,063,842	0	0%
- Equities with primary listing on JSE		561,627,661				561,627,661	561,627,661	0	0%
- Equities with secondary listing on JSE		112,646,838				112,646,838	112,646,838	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	F	0				0	0	0	0%
Collective investment schemes	I	0			663,160,660	663,160,660	458,716,776	204,443,884	31%
Insurance policies:									
- Linked policies									0%
- Non-linked policies									0%
Derivative market instruments	G								0%
Participating mortgage bonds	H								0%
Other	K	432,543,458				432,543,458	0	0	0%
Total Investments		4,509,339,952	0	0	663,160,660	5,172,500,612	4,422,866,432	432,543,458	100%
								749,634,180	14%

## 1A CLASSIFICATION

(Multiple Items)

DIRECT CASH AND DEPOSITS			Total
SECURITY	LONG NAME		
	3169 ZAM000003169 NCDX201103232 8.05%		5,009,925
AN4244	AN4244 ABSA NCD 8.40 23042010		6,473,622
AN4258A	ABSA FRN J3M 0.85 10052010		8,091,622
AN4323	ABSA NCD 8.35 25062010		3,191,478
AN4382	ABSA NCD 7.879 18082010		4,036,265
AN4392	ABSA NCD 7.825 26082010		5,233,678
AN4409	ABSA NCD 7.95 13092010		12,527,967
AN4413A	ABSA FRN J3M 0.85 14092010		13,048,408
AN4432	ABSA FRN J3M 0.85 28092010		7,004,335
AN4439	ABSA NCD 8.125 051010		17,673,596
AN4441	ABSA NCD 8.125 06102010		9,354,606
AN4519	ABSA NCD 8 0909210		22,725,839
CCASH	CORONATION ACTIVE - Deposit Accounts		32,580,000
CCASHINT	CORONATION CASH INT - Deposit Accounts		54,532
FFN427	FFN427 FIRSTRAND FRN J3M 0.85 221010		8,116,956
FFN449	FIRSTRAND FRN J3M 0.80 27072010		7,098,683
IN2696A	INVESTEC FRN J3M 0.80 25062010		10,016,855
IN2749	INVESTEC NCD 8.40 08072010		26,536,164
IN2762	INVESTEC NCD 7.87 18082010		5,243,647
IN2763A	INVESTEC FRN J3M 0.80 18082010		4,036,753
IN2776	INVESTEC NCD 7.95 14092010		12,520,126
IN2812	INVESTEC NCD 7.75 07052010		10,574,480
INITMARG	INITIAL MARGIN - Deposit Accounts		14,940,564
INKCLINT	INKOTHA CALL INT - Deposit Accounts		136,530
MTXCAL01	MTX CALL ACCOUNT - Deposit Accounts		837,486
NEDCURR	NEDBANK ACCOUNT - Current Accounts		3,030,890
	NEDBANK ACCOUNT - Payables		-39,928,710
	NEDBANK INTEREST ACC - Current Accounts		17,068,912
NEDINT	NEDBANK INTEREST ACC - Current Accounts		31,738
NFN357	NEDBANK FRN J3M 0.80 21072010		7,107,800
NN9169	NN9169 07052010		8,504,767
NN9206	NEDBANK NCD 8.35 25062010		5,319,130
NN9229	NEDBANK NCD 8.475 23072010		11,643,636
NN9233	NEDBANK NCD 8.475 27072010		7,403,085
NN9292	NEDBANK NCD 7.925 17092010		21,889,120
NN9321	NEDBANK NCD 8.20 20102010		10,366,192
NN9358	NEDBANK NCD 7.70 09062010		6,143,030
NN9398	NEDBANK NCD 8.00 160211		22,212,164
NN9401	NEDBANK NCD 8.05 18022011		8,072,340
PRMNCALL	PRUDENTIAL MONEY - Deposit Accounts		180,239,910

## 1A CLASSIFICATION

(Multiple Items)

DIRECT CASH AND DEPOSITS			Total
SECURITY	LONG NAME		
PRMMINT	PRU MM FUND B INT - Deposit Accounts		1,138,790
SAFEXINT	SAFEXBR INT ACCOUNT - Current Accounts		80,149
SCB002IN	SANLAM CALL BOND INT - Deposit Accounts		76,923
SFN197	SFN197 STD FRN J3M 0.85 14102010		9,153,409
SFN227	STANDARD FRN J3M 0.80 21072010		8,123,200
SFN232	STD FRN J3M.77 13082010		70,886,527
SFN235	STANDARD BANK FRN J3M 0.75 18082010		3,027,392
SFN262A	STD FRN J3M 0.85 19112010		5,041,826
SN2342	STANDARD BANK NCD 8.25 22102010		12,436,683
SN3933A	STANDARD FRN J3M 0.8 23042010		4,058,116
SN3969	STANDARD NCD 8.19 09122010		13,329,619
STDAL01	STD CALL ACCOUNT - Deposit Accounts		23,464,213
YARMARG	VARIATION MARGIN - Deposit Accounts		5,103,892
YARMINT	VARIATION MARGIN INT - Current Accounts		12,642
YIELDINT	YIELD MARGIN - Current Accounts		21,855
YIELDMAR	YIELD MARGIN ACCOUNT - Deposit Accounts		698,400
AN4329	AN4329 02072010		12,247,249
FN4022	FIRSTRAND NCD 7.885 16092010		44,829,968
FN4072	FIRSTRAND NCD 18022011		2018410.96
IN2811	INVESTEC NCD 7.70 09062010		3143423.08
NFN349	NEDBANK FRN J3M 0.575 03062010		15092303.42
NN9266	NEDBANK NCD 7.85 20082010		2096350.68
TCBINT	TCT CALL BOND INT - Deposit Accounts		63,342.47
VCBINT	VAAL RIVER CALL INT - Deposit Accounts		56,506.85
Grand Total			752,169,316.05
Standard bank current account			8,796,304.48
Unclaimed benefits money market account			6,039,402.92
			767,005,023.45

Standard Bank Current Account Balance	
Year end Adjusting Entries	
Coronation	-449,290.89
Prudential	686,787.08
Alan Gray	1,216,250.78
Total for summary schedule	768,458,770.42

## 1A CLASSIFICATION

## C DIRECT BONDS AND DEBENTURES

SECURITY	LONG NAME	UNIT HOLDING	MARKET VALUE
<b>GOVERNMENT BONDS</b>			
157	RSA 2015 13.50%	5,231,679	6,326,704
186	RSA 10.50 % 2025/26/27	20,157,369	23,699,769
197	REPUBLIC OF SA 2023 5.50% 104.080645	12,800,000	27,067,890
201	RSA 2014 8.75%	3,132,783	3,304,407
203	RSA 2017 8.25%	68,849,417	68,392,828
204	RSA 2018 8.00%	21,358,152	21,167,616
206	R206 RSA 15012014	37,071,627	37,108,332
207	RSA 2020 7.25%	13,884,009	12,836,390
208	R208 RSA 310321	5,755,520	4,958,182
209	RSA 2036 6.25%	11,171,841	8,259,429
210	REP OF SA CPI 6.25% 31032028 142.84	2,000,000	2,179,961
NRA013	NRA013 SA NATIONAL ROADS AGENCY CPI 4.25 31102013 155.119	7,300,000	8,775,487
<b>TOTAL GOVERNMENT BONDS</b>			
			224,276,995
<b>PARASTATAL BONDS</b>			
ES23	ESKOM HOLDINGS LTD 10% 25012023	8,000,000	8,509,003
ES26	ES26 ESKOM HLDGS LTD 7.85% 020426	4,500,000	3,926,093
<b>TOTAL PARASTATAL BONDS</b>			
			12,435,096
<b>OTHER BONDS</b>			
ICB001	INKOTHA CALL BOND 31082011 LINKED TO REPO INDIRECT FUNCTI	12,000,000	12,000,000
SCB002	SCB002	13,000,000	13,000,000
TCB001A	TCT CALL BOND	11,000,000	11,000,000
VCB001	VRESAP PROJECT CALL BOND - TCTA	10,000,000	10,000,000
<b>TOTAL OTHER BONDS</b>			
			46,000,000
<b>CORPORATE BONDS</b>			
AB06	AB06 SUB DEBT 2015	9,000,000	8,403,519
AB07	AB07 SUB DEBT 070314	5,100,000	4,895,180
ABCP12	ABSA CPI LINKED 6 20092019 164.23548	16,500,000	19,034,817
ABCP3	ABSA 5.50 CPI LINKED 07122028 BASE CPI 65.05040323	4,870,000	9,069,962
ABL5	ABL5 AFRICAN BANK 9.70 11082011	65,671	66,465
ABL8A	ABL8A AFRICAN BANK 13.00 19092013	6,250,000	6,441,975
ABL102	AFRICAN BANK 8.00 INDEXED LINKED 08052014 103.370968	7,200,000	8,539,496
ABL103	AFRICAN BANK 15032015	10,000,000	10,028,629
ABLS1	ABLS1 ABSA CALLABLE BOND 13M160 08082012	98,507	98,974
ABLS2A	ABSA FIXED RATE 15.5 13072016	3,500,000	3,728,197
ABS3	ABSA 8.45 PC 3411AO3	3,479,637	3,497,618
ABS5	ABSA 8.3 PC 1511MNI	19,432,836	19,038,314
ABS6	ABS6 8.2% 2020	164,178	151,203

## 1A CLASSIFICATION

## C DIRECT BONDS AND DEBENTURES

SECURITY	LONGNAME	UNIT HOLDING	MARKET VALUE
ABS7	ABSA 8.80 11/09/2026	7,550,000	6,336,773
ABS12	ABSA BANK LTD CPI 5.5% 07/12/2023	6,500,000	12,460,760
AIR02	AIR02 ACSA 11.68 30/04/2023 AO23	8,640,000	9,714,696
AIR03	AIR03 ACSA 10.36 09/03/2016	17,800,000	18,847,617
AIRL01	AIRL01 CP 3.64 30/10/2028	8,550,000	9,102,254
AIRL02	AIRL02 ACSA 5.5 CPI 18/02/2014 165.36071	9,100,000	10,246,621
BAW1	BARLOWORLD 10.7 PC 29/711	5,000,000	5,198,599
BEER01	SABSA HOLD 9.935 PC 19/712	5,000,000	5,200,893
BID01	BIDVEST 10.19 06/08/2014	6,950,000	7,074,140
BLG3A3	BLUE GRANITE 30/10/2011	2,000,000	2,035,466
CBL01	CBL01 CAPITEC BANK 14.72 06/05/2011	2,500,000	2,757,748
CBL03	CAPITEC BANK 12.48 18/05/2012	4,500,000	4,737,168
CBL06	CAPITEC BANK LTD 13% 02/11/2014	1,100,000	1,187,055
CCT02	CITY OF CAPE TOWN 11.615 15/06/2024	2,500,000	2,713,531
CCT03	CITY OF CAPE TOWN 11.16% 15/03/2025	4,360,000	4,469,249
DC03	DC03 DAIMLER G	4,755,500	4,853,311
DV07	DEV BNK OF SA 2010 14.50%	500,000	516,933
DV21	DV21 DBSA 15/06/16	229,849	304,964
DV22	DEVELOPMENT 9.45 PC 7/2/2020	2,750,000	2,712,386
DV23	DBSA 10% 2023	8,494,027	8,542,527
EGL01	EGL01 EAGLE BONDS 9.9561 31/07/2012	1,952,522	1,858,601
EGL02	EGL02 EAGLE BONDS 10.01463 30/11/2011	1,287,718	1,225,004
FRB03	FRB03 BND 9% 15/09/2014	5,300,000	5,063,716
FRB05	FRB05 FNB 21/12/2018	17,819,849	15,788,557
FRBC21	FRBC21 FSR 12 12/12/2018 1D21 PERPETUAL CALLABLE	4,000,000	3,875,542
FRB2A2	RANDMERCH 10.08 PC 28/2013	4,500,000	4,229,061
FRX11	FRX11 FIRST RAND LIMITED 9.25 14/03/2011	1,000,000	1,020,160
FRX15	FIRST RAND 8.75 14/03/2015	42,200,000	40,871,695
FRX24	FIRSTRAND 10.75 10/12/2024	4,000,000	4,218,645
GFC2	GFC2 GROUP FIVE CONSTRUCTION (PTY) LIMITED	300,000	301,117,682
HMS1B5	HOME OBLIG 10.43 PC 19/72045	7,000,000	7,133,992
IBL03	INVESTEC FRN 13M 2.00 15/06/2012	4,300,000	4,360,529
IBL11	INVESTEC BANK LIMITED 12/03/2015	14,000,000	14,239,284
IN03	INCA 2011 14.00%	2,000,000	2,172,812
IPL4	IPL4 IMPERIAL 29/03/14	8,000,000	7,546,400
IV03	INVESTEC 16 PC 31/312	24,152,507	27,370,540
IV04	INVESTEC 1034 PC 31/32013	2,500,000	2,444,953
LGL1	LGL1 LIB LTD 8.93 12/09/2012	9,000,000	9,026,141
MET01	METROPOLITAN LIFE 9.25 PC 15/12/2014	2,000,000	1,969,798
MGL01	MOMENTUM 812 PC 15/9/2015	3,500,000	3,249,782

1A CLASSIFICATION

C DIRECT BONDS AND DEBENTURES

SECURITY	LONG NAME	UNIT HOLDING	MARKET VALUE
MTN01	MTN HLDG 10.01 PC 13710	14,600,000	13,015,146
MTN02	MTN HLDG 10.19 PC 1372014	3,100,000	3,218,715
NBK2A	NEDBANK 10.55 15092015	35,400,000	36,823,395
NBK3A	NEDBANK LTD 11.39% 09092019	1,700,000	1,771,149
NED11	NEDB LTD 10.54 PC 1792015	8,131,342	8,045,554
NED5	NED5 SUB 24042011	1,000,000	1,031,056
NED6	NED6 SUB 200913	8,000,000	7,930,209
NED7	NED7 SUB 08022012	8,032,836	8,110,726
NEDH1A	NEDH1A NEDBANK CALLABLE BOND 15.05 20112018 (J+712.50)	7,000,000	7,484,885
NRA028	NRA028 12.25 301128	2,000,000	2,438,501
OML01	OLD MUTUAL LIFE 8.92 PC 27102015	7,164,178	7,115,007
PROA11	PROCUL 13.65 PC 310810	5,000,000	5,141,145
RW02	RAND WATER 2012 13%	1,500,000	1,651,171
SBK12	STANDARD BANK OF SA 10.82 24112016	8,300,000	8,761,730
SBK5	SCMB SUBORDINATED DEBT	4,032,836	4,200,779
SBK7	SCMB SUB DEBT 2015	14,900,000	14,988,077
SBK8	SCMB SUB DEBT 2018	1,250,000	1,229,854
SBK111	SBK CAPITAL NOTE 5.75 NACS 102.430830 09042019	9,800,000	11,111,121
SBS1	SBS1 STDBNK 9%240510	8,000,000	8,273,853
SBS5	SBS5 SBSA 071211	11,000,000	11,387,111
SBS7	SBS7 STD 2013	1,000,000	1,028,115
SBS9	STANDARD BANK FIXED 11.42 07072016	26,700,000	29,521,003
SBS111	STANDARD BANK CPI 5.5% 07122023	7,200,000	13,802,688
SLI1	SLI1 SANLAM 15082013	7,131,342	7,141,479
SMF1	SMF1 SAPPI 27062013	3,000,000	2,982,698
SMF2	SAPPI 10.64 PC 141011A014	5,000,000	5,359,526
SMF3	SAPPI MANUFACTURING 12.13 30062012	6,500,000	6,761,971
SNT01	SNT01 SANTAM 150917	5,500,000	4,805,448
SZ18	SA NATIONAL ROADS AGENCY	1700000	1992347.92
SZ25	SA ROADS 2025 9%	8,000,000	7,759,110
TFS06	IFS06 TOYOTA FINANCIAL SERV SA 8.05% 203014	14,785,472	14,058,429
THE7A3	THEKW 9.86 PC 181012	3,982,950	3,997,428
TL15	TELKOM SA LIMITED	4,000,000	4,473,374
TN17	TRANSNET 914 PC 14112017	5,200,000	5,269,530
TN20	TRANSNET 10.50 17092020	6,000,000	6,169,755
TN27	TRANSNET 8.9 PC 14112027	6,250,000	5,828,364
UG21	UG21 UMGENI WATER 02032021	7,920,000	8,171,175
WS04	TRANS CAL 2016 12.5%	9,500,000	11,650,783
WSP3	WSP3 TRANS CALEDON 9.00 28052019	1,500,000	1,541,361
WSP4	TRANS CALEDON 9 PC 28052017 280517	4,000,000	4,073,704

IA CLASSIFICATION

C DIRECT BONDS AND DEBENTURES

SECURITY	LONG NAME	UNIT HOLDING	MARKET VALUE
WSP5	TRANSCAL 9 PC 2852021	4,131,342	4,161,898
TOTAL CORPORATE BONDS			689,162,798
Grand Total			971,874,889

Year end Adjusting Entries

Coronation		-15,242
Prudential		199,569
Alan Gray		-59,832

Total for summary schedule

971,999,383
-------------

IA CLASSIFICATION  
EQUITY PRIMARY / SECONDARY LISTING

B DIRECT EQUITIES  
PRIMARY LISTING

SECURITY	LONG NAME	Data		
		SHARES IN ISSUE	UNIT HOLDING	MARKET VALUE % Holding
SOL	SASOL LTD	638,635,816	570,047	172,570,328 0.089%
MTN	MTN GROUP LTD	1,840,549,097	1,343,549	150,477,488 0.073%
SBK	STANDARD BANK GRUPO LTD	1,560,507,136	943,672	108,144,811 0.060%
	SUBTOTAL - Top 25% of Holding			431,192,628
ANG	ANGLOGOLD LTD	362,347,551	284,927	79,195,460 0.079%
REM	REMORO LTD	481,106,370	699,827	68,583,046 0.145%
GRU	GROWTHPOINT PROPERTY LTD	1,547,521,924	3,755,391	55,392,017 0.243%
FSR	FIRSTRAND LTD	5,637,941,689	2,313,988	46,742,558 0.041%
SLM	SANLAM ORDINARY SHARES	2,160,000,000	1,868,300	46,464,621 0.086%
RDF	REDEFINE INCOME FUND LTD	2,654,638,299	5,282,120	41,306,178 0.199%
ACP	ACUCAP PROPERTIES	158,173,748	972,713	32,050,893 0.615%
EXX	EXXARO RESOURCES	352,238,930	253,124	31,868,312 0.071%
WHL	WOOLWORTHS HOLDINGS LTD	847,044,788	1,395,154	31,432,820 0.165%
SAP	SAPPL LTD	537,117,864	909,047	29,453,123 0.169%
SUI	SUN INTERNATIONAL (SA)	111,095,130	298,779	27,502,607 0.269%
ASA	ABSA GROUP LIMITED	718,210,043	184,457	26,248,231 0.026%
NPK	NAMPK ORDINARY SHARES	660,307,517	1,454,025	26,027,048 0.220%
FET	FOUNTAINHEAD PROP	996,043,081	3,774,298	25,665,226 0.379%
HAR	HARMONY GOLD MINING CO	426,191,965	365,820	25,168,416 0.086%
BYT	BIDVEST GROUP LTD	348,592,319	182,245	24,830,881 0.052%
NTC	NETWORK HEALTHCARE HOLDINGS LIMITED	1,430,695,155	1,874,393	24,741,988 0.131%
POS	FOSCHINI ORDINARY SHARES	240,498,241	343,616	23,022,272 0.143%
IMP	IMPALA PLATINUM	631,578,772	103,885	22,659,350 0.017%
ILV	ILLOVO	460,159,638	714,125	21,209,513 0.155%
TON	TONGAAT HULLET LIMITED	103,677,229	187,146	19,276,038 0.181%
SFP	SPAR GROUP LIMITED	171,170,013	253,847	18,911,602 0.148%
AFE	AFCI LTD	119,133,869	290,152	18,758,327 0.244%
AIP	ADCOCK INGRAM HOLDINGS LTD	173,848,578	321,020	18,426,548 0.183%
PWK	PICK N PAY HOLDINGS LTD	527,249,082	876,951	15,425,568 0.166%
GID	NEW GOLD ISSUER LTD	161,636,500	186,760	15,041,650 0.116%
POR	PEREGRINE HOLDINGS LTD	228,128,764	1,175,226	13,985,189 0.515%
DSY	DISCOVERY HOLDINGS LTD	591,953,180	398,894	13,761,843 0.067%
ARL	ASTRAL FOODS LTD	42,136,285	115,657	13,127,070 0.274%
MPC	MR PRICH GROUP LTD	247,156,388	326,108	12,979,098 0.132%
MVG	MVELAPHANDA GROUP LTD	443,474,054	1,418,213	12,650,460 0.320%
SAC	SA CORPORATE REAL ES	2,081,868,612	4,460,803	12,490,248 0.214%
ABL	AFRICAN BANK INVESTMENTS	804,175,200	344,519	12,264,876 0.043%
PAP	PANGBOURNE PROPERTIES LTD	441,745,837	676,631	12,131,994 0.133%
GUJ	GUJMA AST GROUP	981,459,166	10,000,000	11,800,000 1.019%
NER	NEDCOR LIMITED	503,549,039	76,206	10,668,840 0.015%
MND	MONDI	146,896,222	197,314	10,615,493 0.134%
ARI	AFRICAN RAINBOW MINERALS	212,383,347	55,233	10,587,614 0.026%
SPG	SUPER GROUP LTD	3,273,096,984	13,739,173	9,617,421 0.420%

IA CLASSIFICATION  
EQUITY PRIMARY / SECONDARY LISTING

E DIRECT EQUITIES  
PRIMARY LISTING

SECURITY	LONG NAME	SHARES IN ISSUE	UNIT HOLDING	MARKET VALUE	% Holding
CAT	CAXTON CTP PUBLISHERS	495,639,628	602,366	9,487,265	0.122%
BAW	BARLOWORLD LIMITED	227,764,348	189,605	8,902,020	0.079%
MDC	MEDI-CLINIC CORP. LTD	593,013,946	326,371	8,812,017	0.055%
GDF	GOLD REEF CASINO RESORTS LTD	291,990,220	462,000	8,754,900	0.158%
JMI	EMIRA PROPERTY FUND	487,827,654	735,235	8,675,773	0.151%
TRE	TRENCOR LTD	187,468,892	264,329	7,929,870	0.141%
NET	METROPOLITAN LIFE LTD	553,203,037	466,581	7,875,887	0.084%
APP	ALEX ANDER FORBES PREFS	236,715,745	1,107,346	7,751,422	0.468%
RES	RESILIENT PROPERTY & INCOME FUND LTD	257,894,832	284,604	7,718,460	0.110%
GRF	GROUP FIVE LTD	120,254,617	207,133	7,684,634	0.172%
CMP	CMP CIPLA MEDPRO SOUTH AFRICA LTD	449,856,116	1,207,446	7,063,559	0.268%
GFI	GOLD FIELDS LTD	709,438,556	76,326	7,037,257	0.011%
SHR	SHOPRITE HOLDINGS LTD	543,479,460	95,200	6,921,040	0.018%
TBS	TIGER BRANDS LTD.	189,909,072	36,000	6,602,400	0.019%
TKG	TELKOM SA LIMITED	520,783,898	190,180	6,494,647	0.037%
FBR	FAMOUS BRANDS	94,894,596	242,687	6,404,510	0.256%
HFA	HOSPITAL PROPERTY FUND LTD	63,112,101	475,011	6,056,390	0.753%
AVI	AVINIA	343,482,129	249,898	5,947,572	0.073%
FFA	FORTRESS INCOME FUND LTD	186,392,192	594,433	5,884,887	0.319%
CML	CORONATION FUND MANAGERS	314,819,192	536,795	5,228,383	0.171%
DTC	DATATEC LTD	182,524,808	149,569	4,860,993	0.082%
LBH	LIBERTY HOLDINGS LTD	286,022,373	66,900	4,850,250	0.023%
SNT	SANTAM LTD	119,346,417	46,905	4,805,417	0.039%
JDG	JD GROUP LTD	170,500,000	108,191	4,787,452	0.063%
MOB	MOBILE INDUSTRIES LTD	1,068,039,676	2,102,254	4,751,094	0.197%
HLM	HLM	216,194,836	432,289	4,750,856	0.200%
EQS	EQSTRA HOLDINGS LIMITED	238,389,870	766,960	4,678,456	0.297%
DBNPN3	NASPERS LTD WARRANT	6,000,000	52,830	4,635,833	0.881%
AEG	AVENG LTD	396,006,572	119,362	4,488,011	0.030%
CPL	CAPITAL PROPERTY FUND	717,578,059	609,765	4,390,308	0.085%
DAW	DISTRIBUTION & WAREHOUSING NETWORK LTD	240,242,904	432,643	3,915,362	0.188%
ADH	ADCTECH LTD	400,838,181	633,789	3,834,423	0.158%
AVU	AVUSA LIMITED	103,821,159	193,177	3,766,952	0.186%
OMN	OMNIA HOLDINGS	47,249,825	56,853	3,574,227	0.120%
APX	AFRICAN OXYGEN LTD	342,852,910	138,947	3,005,424	0.041%
TRU	TRUWORKS INTERNATIONAL	455,438,665	55,050	2,879,115	0.012%
MTX	METOREX LTD	752,263,403	709,938	2,733,261	0.094%
APK	ASTRAPAK LTD	135,131,250	206,565	2,685,345	0.153%
ILA	ILAD AFRICA LTD	138,217,794	278,400	2,282,880	0.201%
SYC	SYCOM PROPERTY FUND	203,107,471	102,126	2,223,283	0.050%
HCI	HOSKEN CONSOLIDATED INVESTMENTS LD	132,401,130	27,029	2,108,262	0.020%
RMH	RMH HOLDINGS LTD	1,209,111,456	58,425	1,891,217	0.005%
INL	INVESTEC LTD	269,766,932	29,256	1,828,207	0.011%

IA CLASSIFICATION  
EQUITY PRIMARY / SECONDARY LISTING

E DIRECT EQUITIES  
PRIMARY LISTING

SECURITY	LONG NAME	SHARES IN ISSUE	UNIT HOLDING	MARKET VALUE	% Holding
HYT	HYPROP INVESTMENTS LTD	166,113,169	36,474	1,820,053	0.022%
YRK	YORK TIMBER HOLDINGS LIMITED	328,370,068	563,634	1,792,356	0.172%
OPT	OPTIMUM COAL HOLDINGS LTD	248,488,443	55,422	1,751,335	0.022%
ALT	ALLIED TECHNOLOGIES	105,979,038	22,279	1,630,600	0.021%
ADR	ADICORP HOLDINGS	59,309,129	61,100	1,564,160	0.103%
LEW	LEWIS	98,037,959	27,000	1,525,500	0.028%
PIK	PIK N PAY	480,397,321	33,520	1,441,360	0.007%
MYGP	MYGP MYELAPHANDA GROUP LTD PREFERENCE SHARES	34,261,268	140,488	1,362,734	0.259%
TDH	TRADEHOLD LIMITED	347,330,441	1,500,000	1,335,000	0.432%
BCX	BUSINESS CONNEXION	262,636,912	209,600	1,184,240	0.080%
CRM	CERAMIC INDUSTRIES LTD	20,292,828	9,770	1,158,722	0.048%
SUR	SPUR CORPORATION LTD	97,632,833	79,600	995,000	0.082%
PTG	PIONEER FOOD GROUP LIMITED	201,183,898	25,900	984,459	0.013%
DST	DST DISTELL GROUP LTD	201,774,601	13,300	904,400	0.007%
AMA	AMALGAMATED APPLIANCE HOLDINGS LTD	212,189,689	519,316	883,837	0.245%
GND	GRINDROD LIMITED	463,681,980	54,204	829,863	0.012%
AITNP	ALLIED ELECTRONICS CORP PART PREFS	240,902,030	30,619	826,713	0.013%
KEL	KELLY GROUP LIMITED	100,000,000	146,400	775,920	0.146%
SSK	STEFANUTTI STOCKS HOLDINGS LIMITED	188,080,746	64,330	731,432	0.034%
ITB	ITALITILE LTD	1,077,763,612	172,691	666,587	0.016%
JOD	JCI LTD	2,224,798,993	3,988,300	638,128	0.172%
ATN	ALLIED ELECTRONICS CORPORATION LIMITED	105,669,131	19,200	530,391	0.018%
CBH	CONTRY BIRD HOLDINGS LIMITED	202,069,313	131,900	356,130	0.065%
QPL	GRAND PARADE INVESTMENTS LTD	462,331,319	144,801	347,522	0.031%
BDM	BDM BUILDMAX	1,040,699,680	571,700	343,020	0.055%
UCS	UCS GROUP LIMITED	288,422,657	144,600	274,740	0.050%
DTA	DELTA EMD LTD	49,165,553	20,336	268,435	0.041%
CSB	CASHBUILD LIMITED	25,805,347	3,500	260,715	0.014%
SKY	SEA KAY HOLDINGS LTD	488,864,228	1,899,820	227,978	0.389%
DGC	DIGICORE HOLDINGS LIMITED	217,669,272	55,300	174,195	0.025%
SOV	SOVEREIGN FOOD INVESTMENTS LIMITED	50,000,000	13,317	107,202	0.027%
MFL	MFL METROPOLIS HOLDINGS LTD	408,085,246	44,100	66,150	0.011%
MTXN	MTXN METOREX NIL PAID LETTERS	250,000,000	249,260	62,315	0.100%
OTHER					
Grand Total				1,230,871,213	
				1,662,063,842	

IA CLASSIFICATION  
EQUITY PRIMARY / SECONDARY LISTING

E DIRECT EQUITIES  
SECONDARY LISTING

SECURITY	LONG NAME	SHARES IN ISSUE	UNIT HOLDING	MARKET VALUE	% Holding
SAB	SA BREWERIES ORD SHARES	1,652,862,745	695,187	148,936,863	0.042%
	SUBTOTAL - Top 25% of Holding			148,936,863	
AGL	ANGLO AMERICAN PLC	1,342,928,473	241,288	76,958,808	0.018%
BIL	BILLITON PLC	2,231,121,202	295,157	74,379,564	0.013%
NPN	NASPERS LTD	405,833,411	216,998	68,679,867	0.053%
CFR	COMPAGNIE FIN RICHMONT	5,220,000,000	1,985,044	56,375,250	0.038%
LBT	LIBERTY INTERNATIONAL PLC	622,878,501	548,200	30,808,840	0.088%
DDT	DDATA	1,708,290,037	2,747,001	27,524,950	0.161%
MNP	MONDIPLC	367,240,805	450,722	23,212,183	0.123%
REI	REINET INVESTMENTS SCA	1,959,412,860	1,617,095	19,243,431	0.083%
INP	INVESTEC PLC	471,113,064	312,276	18,564,808	0.066%
OML	OLD MUTUAL PLC	5,666,147,830	1,249,491	16,943,098	0.022%
	SUBTOTAL - Other			412,690,798	
Grand Total				561,627,661	

IA CLASSIFICATION  
EQUITY PRIMARY / SECONDARY LISTING

E DIRECT EQUITIES  
FOREIGN LISTING

SECURITY	LONG NAME	SHARES IN ISSUE	UNIT HOLDING	MARKET VALUE	% Holding
BTI	BRITISH AMERICAN TOBACCO PLC SHARE	202,536,622	444,191	112,646,838	0.022%
Grand Total				112,646,838	

IA CLASSIFICATION

I COLLECTIVE INVESTMENT SCHEMES

SECURITY	LONG NAME	UNIT HOLDING	MARKET VALUE
CAB001	CAB001 CORONATION ACTIVE BOND	381,679,374	458,716,776
RILWEQTB	RUSSELL INVESTMENTS WORLD EQUITY C	1,950,835	204,443,884
Grand Total			663,160,660

IA CLASSIFICATION

K DIRECT OTHER PORTFOLIO ASSETS

SECURITY	LONG NAME	UNIT HOLDING	MARKET VALUE	MARKET MOVE BY 5%
ALGLFORB	ALLAN GAY LIFE ORBIS GLOBAL EQUITY	984,726	186,674,036	196,007,738
ALGLPFMF	ALLAN GRAY LIFE FOREIGN PORTFOLIO M	1,680,051	245,869,422	258,162,893
Grand Total			432,543,458	454,170,631

[illegible]

IA CLASSIFICATION PRIMARY / SEC. EQUITIES

SECURITY	LONG NAME	TOP TEN EQUITIES		
		UNIT HOLDING	MARKET VALUE	MARKET MOVE BY 5%
SOL	SASOL LTD	570,047	172,570,328	181,198,845
MTN	MTN GROUP LTD	1,343,549	150,477,488	158,001,362
SAB	SA BREWERIES ORD SHARES	695,187	148,936,863	156,383,706
BTI	BRITISH AMERICAN TOBACCO PLC SHARES	444,191	112,646,838	118,279,179
SBK	STANDARD BANK GROUP LTD	943,672	108,144,811	113,532,052
ANG	ANGLOGOLD LTD	284,927	79,195,460	83,155,233
AGL	ANGLO AMERICAN PLC	241,288	76,938,808	80,806,748
BIL	BILLITON PLC	295,157	74,379,564	78,098,542
NPN	NASPERS LTD	216,998	68,679,867	72,113,860
REM	REMGR0 LTD	699,827	68,583,046	72,012,198
Grand Total			1,060,573,072	1,113,601,726

TOTAL MOVEMENT AS % OF NON CURRENT ASSETS PLUS BANK 1.03%

IA CLASSIFICATION OTHER INSTRUMENTS

SECURITY	LONG NAME	TOP TEN OTHER		
		UNIT HOLDING	MARKET VALUE	MARKET MOVE BY 5%
CAB001	CAB001 CORONATION ACTIVE BOND	381,679,374	458,716,776	481,652,615
ALGLPFMF	ALLAN GRAY LIFE FOREIGN PORTFOLIO MUTUAL FUNDS	1,680,051	245,869,422	258,162,893
RILWEQTB	RUSSELL INVESTMENTS WORLD EQUITY CLASS B ACC	1,950,835	204,443,884	214,666,078
ALGLFORB	ALLAN GRAY LIFE ORBIS GLOBAL EQUITY	984,726	186,674,036	196,007,738
PRMICALL	PRUDENTIAL MONEY - Deposit Accounts	180,239,910	180,239,910	189,251,906
SFN232	STD FRN J3M177 13082010	70,000,000	70,686,527	74,220,834
203	RSA 2017 8.25%	68,849,417	68,392,828	71,812,470
FN4022	FIRSTRAND NCD 7.885 16092010	43,000,000	44,829,968	47,071,466
FRX15	FIRST RAND 8.75 14032015	42,280,000	40,871,695	42,915,279
206	R206 RSA 15012014	37,071,627	37,108,332	38,983,748
Grand Total			1,537,833,378	1,614,725,046

TOTAL MOVEMENT AS % OF NON CURRENT ASSETS PLUS BANK 1.49%

FOREIGN CURRENCY EXPOSURE

SECURITY	LONG NAME	TOP TEN OTHER		
		UNIT HOLDING	MARKET VALUE	MARKET MOVEMENT 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	90,533,211	95,080,871
Grand Total			205,010,188	215,260,698

TOTAL VALUE OF FOREIC 205,010,188

TOTAL MOVEMENT AS % OF NON CURRENT ASSETS PLUS BANK 0.20%

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
------------------	----------------	-------------	-------------------	-----------------	--------------------	--------------------------	------------------	-----------------------

**NATAL JOINT MUNICIPAL PEN/SUPERANN PRU 8882034429-NJPS01**

04/03/2010	AGL	ANGLO AMERICAN	VARIOUS	376,361.00	1,180	VARIOUS	NEDBANK LTD	
30/03/2010	AGL	ANGLO AMERICAN	VARIOUS	1,789,309.50	5,610	VARIOUS	NEDBANK LTD	
09/02/2010	AGL	ANGLO AMERICAN	VARIOUS	8,445,477.05	26,479	VARIOUS	NEDBANK LTD	
19/03/2010	AGL	ANGLO AMERICAN	VARIOUS	11,802,744.75	37,005	VARIOUS	NEDBANK LTD	
				22,413,892.30	70,274			
05/03/2010	ASA	ASBA GROUP LIMITED	VARIOUS	360,303.60	2,532	VARIOUS	NEDBANK LTD	
08/03/2010	ASA	ASBA GROUP LIMITED	VARIOUS	518,683.50	3,645	VARIOUS	NEDBANK LTD	
09/02/2010	ASA	ASBA GROUP LIMITED	VARIOUS	5,781,222.10	40,627	VARIOUS	NEDBANK LTD	
				6,660,208.20	46,804			
19/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	887,220.00	18,000	VARIOUS	NEDBANK LTD	
				887,220.00	18,000			
25/02/2010	BIL	BILLITON PLC	VARIOUS	96,012.00	381	VARIOUS	NEDBANK LTD	
12/03/2010	BIL	BILLITON PLC	VARIOUS	474,264.00	1,882	VARIOUS	NEDBANK LTD	
02/03/2010	BIL	BILLITON PLC	VARIOUS	568,008.00	2,254	VARIOUS	NEDBANK LTD	
17/03/2010	BIL	BILLITON PLC	VARIOUS	756,000.00	3,000	VARIOUS	NEDBANK LTD	
14/01/2010	BIL	BILLITON PLC	VARIOUS	1,512,000.00	6,008	VARIOUS	NEDBANK LTD	
24/12/2009	BIL	BILLITON PLC	VARIOUS	5,461,092.00	21,671	VARIOUS	NEDBANK LTD	
14/09/2009	BIL	BILLITON PLC	VARIOUS	17,640,000.00	70,000	VARIOUS	NEDBANK LTD	
				28,507,376.00	105,188			
26/03/2010	FOS	FOSCHINI LIMITED	VARIOUS	1,038,500.00	15,500	VARIOUS	NEDBANK LTD	
				1,038,500.00	15,500			
24/03/2010	FPT	FOUNTAINHEAD PROPERTY TRUST	VARIOUS	5,419.60	797	VARIOUS	NEDBANK LTD	
				5,419.60	797			
22/01/2010	GFI	GOLDFIELDS LIMITED	VARIOUS	1,674,528.50	18,163	VARIOUS	NEDBANK LTD	
				1,674,528.80	18,163			
01/02/2010	GRT	GROWPOINT PROPERTIES LIMITED	VARIOUS	87,231.50	5,914	VARIOUS	NEDBANK LTD	
23/06/2009	GRT	GROWPOINT PROPERTIES LIMITED	VARIOUS	2,353,628.00	159,568	VARIOUS	NEDBANK LTD	
15/06/2009	GRT	GROWPOINT PROPERTIES LIMITED	VARIOUS	2,765,492.25	187,491	VARIOUS	NEDBANK LTD	
				8,208,391.78	392,873			
26/02/2010	HYP	HYPROP INVESTMENTS LIMITED	VARIOUS	673,650.00	13,500	VARIOUS	NEDBANK LTD	
				673,650.00	13,500			

## 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
19/03/2010 IMP	IMPALA PLATINUM		VARIOUS	550,408.00	2,572	VARIOUS	NEDBANK LTD	
10/11/2009 IMP	IMPALA PLATINUM		VARIOUS	642,000.00	3,000	VARIOUS	NEDBANK LTD	
24/03/2010 IMP	IMPALA PLATINUM		VARIOUS	2,140,000.00	10,000	VARIOUS	NEDBANK LTD	
16/11/2009 IMP	IMPALA PLATINUM		VARIOUS	2,354,000.00	11,000	VARIOUS	NEDBANK LTD	
14/06/2009 IMP	IMPALA PLATINUM		VARIOUS	4,494,000.00	21,000	VARIOUS	NEDBANK LTD	
				<u>10,180,408.00</u>	<u>47,572</u>			
31/03/2010 INL	INVESTEC LIMITED		VARIOUS	39,243.72	528	VARIOUS	NEDBANK LTD	
29/03/2010 INL	INVESTEC LIMITED		VARIOUS	249,960.00	4,000	VARIOUS	NEDBANK LTD	
27/01/2010 INL	INVESTEC LIMITED		VARIOUS	624,900.00	10,000	VARIOUS	NEDBANK LTD	
				<u>914,103.72</u>	<u>14,828</u>			
11/03/2010 INP	INVESTEC PLC		VARIOUS	4,696,550.00	79,000	VARIOUS	NEDBANK LTD	
				<u>4,696,550.00</u>	<u>79,000</u>			
19/03/2010 JDG	JD GROUP LIMITED		VARIOUS	90,712.50	2,050	VARIOUS	NEDBANK LTD	
25/03/2010 JDG	JD GROUP LIMITED		VARIOUS	332,140.50	7,506	VARIOUS	NEDBANK LTD	
05/03/2010 JDG	JD GROUP LIMITED		VARIOUS	451,615.50	10,206	VARIOUS	NEDBANK LTD	
21/01/2010 JDG	JD GROUP LIMITED		VARIOUS	464,802.00	10,504	VARIOUS	NEDBANK LTD	
				<u>1,339,270.50</u>	<u>30,286</u>			
15/06/2009 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	14,050.00	250	VARIOUS	NEDBANK LTD	
16/10/2009 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	15,108.00	340	VARIOUS	NEDBANK LTD	
17/03/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	37,822.60	673	VARIOUS	NEDBANK LTD	
08/03/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	133,025.40	2,367	VARIOUS	NEDBANK LTD	
08/03/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	203,444.00	3,620	VARIOUS	NEDBANK LTD	
16/03/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	252,900.00	4,500	VARIOUS	NEDBANK LTD	
				<u>660,350.00</u>	<u>11,750</u>			
29/03/2010 MND	MONDI LTD		VARIOUS	861,768.40	15,018	VARIOUS	NEDBANK LTD	
				<u>861,768.40</u>	<u>15,018</u>			
05/03/2010 MNP	MONDI PLC		VARIOUS	412,000.00	8,000	VARIOUS	NEDBANK LTD	
29/03/2010 MNP	MONDI PLC		VARIOUS	4,377,345.50	84,997	VARIOUS	NEDBANK LTD	
				<u>4,789,345.50</u>	<u>92,997</u>			
09/03/2010 MTN	MTN GROUP LIMITED		VARIOUS	11,135,376.00	99,423	VARIOUS	NEDBANK LTD	
				<u>11,135,376.00</u>	<u>99,423</u>			
19/03/2010 NED	NEDBANK LIMITED		VARIOUS	118,580.00	847	VARIOUS	NEDBANK LTD	
26/03/2010 NED	NEDBANK LIMITED		VARIOUS	249,200.00	1,780	VARIOUS	NEDBANK LTD	
08/03/2010 NED	NEDBANK LIMITED		VARIOUS	382,900.00	2,735	VARIOUS	NEDBANK LTD	
24/11/2009 NED	NEDBANK LIMITED		VARIOUS	2,558,080.00	18,272	VARIOUS	NEDBANK LTD	

## 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
26/03/2010	NPN	NASPERS LIMITED	VARIOUS	3,308,780.00 <u>23,834</u>	7,200	VARIOUS	NEDBANK LTD	
25/02/2010	OML	OLD MUTUAL	VARIOUS	101,700.00	7,500	VARIOUS	NEDBANK LTD	
19/03/2010	OML	OLD MUTUAL	VARIOUS	388,466.88	28,648	VARIOUS	NEDBANK LTD	
04/02/2010	OML	OLD MUTUAL	VARIOUS	935,640.00	69,000	VARIOUS	NEDBANK LTD	
24/02/2010	OML	OLD MUTUAL	VARIOUS	1,084,800.00	80,000	VARIOUS	NEDBANK LTD	
18/01/2010	OML	OLD MUTUAL	VARIOUS	1,147,135.32	84,597	VARIOUS	NEDBANK LTD	
24/12/2009	OML	OLD MUTUAL	VARIOUS	1,356,000.00	100,000	VARIOUS	NEDBANK LTD	
23/06/2009	OML	OLD MUTUAL	VARIOUS	3,457,800.00 <u>8,471,542.20</u>	255,000 <u>624,745</u>	VARIOUS	NEDBANK LTD	
24/12/2009	PIK	PICK N PAY STORES LIMITED	VARIOUS	641,388.00 <u>14,916</u>	14,916	VARIOUS	NEDBANK LTD	
01/10/2009	SAC	SA CORPORATE REAL ESTATE FUND	VARIOUS	2,800,000.00	1,000,000	VARIOUS	NEDBANK LTD	
04/12/2009	SAC	SA CORPORATE REAL ESTATE FUND	VARIOUS	3,445,122.80 <u>5,245,122.80</u>	1,230,401 <u>2,230,401</u>	VARIOUS	NEDBANK LTD	
27/01/2010	SOL	SASOL LIMITED	VARIOUS	14,833,770.00 <u>14,833,770.00</u>	49,000 <u>49,000</u>	VARIOUS	NEDBANK LTD	
19/03/2010	WHL	WOOLWORTHS	VARIOUS	543,693.96	24,132	VARIOUS	NEDBANK LTD	
04/03/2010	WHL	WOOLWORTHS	VARIOUS	4,409,436.42	195,714	VARIOUS	NEDBANK LTD	
03/03/2010	WHL	WOOLWORTHS	VARIOUS	4,506,000.00 <u>9,459,130.38</u>	200,000 <u>419,846</u>	VARIOUS	NEDBANK LTD	
<b>TOTAL</b>				<u>144,982,932.95</u>	<u>4,402,595</u>			

## NATAL JOINT MUNICIPAL PEN/SUPERANN AGAM.8882020875-NJP502

18/02/2010	AFX	AFRICAN OXYGEN LIMITED	VARIOUS	1,189,650.00 <u>1,189,650.00</u>	55,000 <u>1,189,650</u>	VARIOUS	NEDBANK LTD	
29/01/2010	ANG	ANGLOGOLD ASHANTI LIMITED	VARIOUS	1,159,051.50	4,170	VARIOUS	NEDBANK LTD	
28/09/2009	ANG	ANGLOGOLD ASHANTI LIMITED	VARIOUS	1,189,070.10	4,278	VARIOUS	NEDBANK LTD	
27/01/2010	ANG	ANGLOGOLD ASHANTI LIMITED	VARIOUS	1,945,650.00	7,000	VARIOUS	NEDBANK LTD	
20/01/2010	ANG	ANGLOGOLD ASHANTI LIMITED	VARIOUS	2,890,680.00	10,400	VARIOUS	NEDBANK LTD	
09/02/2010	ANG	ANGLOGOLD ASHANTI LIMITED	VARIOUS	17,900,813.85	64,403	VARIOUS	NEDBANK LTD	

## 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
19/03/2010	ARI	AFRICAN RAINBOW MINERALS LTD	VARIOUS	25,085,285.45 80,281			NEDBANK LTD	
26/03/2010	BAW	BARLOWORLD LIMITED	VARIOUS	2,790,239.64 2,780,239.04 14,556 14,556	14,556	VARIOUS	NEDBANK LTD	
10/02/2010	CFR	COMPAGNIE FIN RICHMONT	VARIOUS	3,450,300.00 3,450,300.00 70,000 70,000	70,000	VARIOUS	NEDBANK LTD	
04/03/2010	DDT	DIMENSION DATA	VARIOUS	3,692,000.00 3,692,000.00 130,000 130,000	130,000	VARIOUS	NEDBANK LTD	
05/03/2010	DDT	DIMENSION DATA	VARIOUS	20,040.00 295,211.24 318,251.24 31,562	2,000	VARIOUS	NEDBANK LTD	
02/02/2010	GDF	GOLD REEF CASINO RESORTS LIMITED	VARIOUS	4,358,500.00 4,358,500.00 230,000 230,000	230,000	VARIOUS	NEDBANK LTD	
23/05/2009	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	203,854.40 566,155.20 8,229	2,963	VARIOUS	NEDBANK LTD	
12/02/2010	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	648,921.60 9,432	VARIOUS	VARIOUS	NEDBANK LTD	
22/12/2009	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	694,880.00 10,100	VARIOUS	VARIOUS	NEDBANK LTD	
10/02/2010	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	1,052,640.00 15,300	VARIOUS	VARIOUS	NEDBANK LTD	
20/08/2009	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	1,118,963.20 16,264	VARIOUS	VARIOUS	NEDBANK LTD	
02/02/2010	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	1,673,560.00 24,325	VARIOUS	VARIOUS	NEDBANK LTD	
11/02/2010	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	3,362,668.80 48,875	VARIOUS	VARIOUS	NEDBANK LTD	
03/02/2010	HAR	HARMONY GOLD MINING COMPANY	VARIOUS	9,321,843.20 135,489	VARIOUS	VARIOUS	NEDBANK LTD	
29/03/2010	MND	MONDI LTD	VARIOUS	141,978.20 2,639	VARIOUS	VARIOUS	NEDBANK LTD	
15/02/2010	MND	MONDI LTD	VARIOUS	4,304,000.00 80,000	VARIOUS	VARIOUS	NEDBANK LTD	
04/02/2010	SAB	SOUTH AFRICAN BREWERIES	VARIOUS	4,445,878.20 82,830	VARIOUS	VARIOUS	NEDBANK LTD	
10/02/2010	SAP	SAPPI LIMITED	VARIOUS	19,924,320.00 93,000	VARIOUS	VARIOUS	NEDBANK LTD	
17/02/2010	SAP	SAPPI LIMITED	VARIOUS	19,924,320.00 93,000	VARIOUS	VARIOUS	NEDBANK LTD	
10/03/2010	SLM	SANLAM LIMITED	VARIOUS	3,045,600.00 94,000	VARIOUS	VARIOUS	NEDBANK LTD	
19/03/2010	SLM	SANLAM LIMITED	VARIOUS	1,1654,000.00 360,000	VARIOUS	VARIOUS	NEDBANK LTD	
12/02/2010	SLM	SANLAM LIMITED	VARIOUS	14,709,600.00 454,000	VARIOUS	VARIOUS	NEDBANK LTD	
07/10/2009	SLM	SANLAM LIMITED	VARIOUS	826,529.58 33,234	VARIOUS	VARIOUS	NEDBANK LTD	
18/12/2009	SLM	SANLAM LIMITED	VARIOUS	1,088,460.42 43,765	VARIOUS	VARIOUS	NEDBANK LTD	
			VARIOUS	1,088,809.64 43,772	VARIOUS	VARIOUS	NEDBANK LTD	
			VARIOUS	1,562,880.54 62,842	VARIOUS	VARIOUS	NEDBANK LTD	
			VARIOUS	2,636,220.00 106,000	VARIOUS	VARIOUS	NEDBANK LTD	

## 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
10/02/2010	SLM	SANLAM LIMITED	VARIOUS	3,435,293.10 10,837,983.28 427,744	138,130 427,744	VARIOUS	NEDBANK LTD	
08/03/2010	SUI	SUN INTERNATIONAL LTD	VARIOUS	358,995.00	3,900	VARIOUS	NEDBANK LTD	
11/03/2010	SUI	SUN INTERNATIONAL LTD	VARIOUS	441,840.00 800,636.00 8,700	4,800 8,700	VARIOUS	NEDBANK LTD	
<b>TOTAL</b>				100,722,576.01	2,957,591			
<b>NATAL JOINT MUNICIPAL PEN/SUPERANN CORP 8882034389-NJPS03</b>								
02/03/2010	AGL	ANGLO AMERICAN	VARIOUS	350,845.00	1,100	VARIOUS	NEDBANK LTD	
30/03/2010	AGL	ANGLO AMERICAN	VARIOUS	727,843.90	2,282	VARIOUS	NEDBANK LTD	
04/03/2010	AGL	ANGLO AMERICAN	VARIOUS	1,302,272.85	4,083	VARIOUS	NEDBANK LTD	
08/03/2010	AGL	ANGLO AMERICAN	VARIOUS	2,214,150.90	6,942	VARIOUS	NEDBANK LTD	
09/02/2010	AGL	ANGLO AMERICAN	VARIOUS	9,564,951.55 14,160,104.20 44,396	29,989 44,396	VARIOUS	NEDBANK LTD	
09/02/2010	ANG	ANGLOGOLD ASHANTI LIMITED	VARIOUS	1,213,251.75 1,213,251.75 4,365	4,365	VARIOUS	NEDBANK LTD	
25/02/2010	BIL	BILLITON PLC	VARIOUS	428,400.00	1,700	VARIOUS	NEDBANK LTD	
14/09/2009	BIL	BILLITON PLC	VARIOUS	8,429,148.00 8,897,648.00 39,149	33,449 39,149	VARIOUS	NEDBANK LTD	
17/03/2010	CFR	COMPAGNIE FIN RICHMONT	VARIOUS	737,888.80	25,982	VARIOUS	NEDBANK LTD	
28/01/2010	CFR	COMPAGNIE FIN RICHMONT	VARIOUS	1,131,512.80 1,889,401.80 65,824	39,842 65,824	VARIOUS	NEDBANK LTD	
27/01/2010	EXX	EXXARO RESOURCES LIMITED	VARIOUS	125,900.00	1,000	VARIOUS	NEDBANK LTD	
31/03/2010	EXX	EXXARO RESOURCES LIMITED	VARIOUS	3,921,281.40 4,047,181.40 32,148	31,146 32,148	VARIOUS	NEDBANK LTD	
18/03/2010	FPT	FOUNTAINHEAD PROPERTY TRUST	VARIOUS	6,800,000.00 6,800,000.00 1,000,000	1,000,000 1,000,000	VARIOUS	NEDBANK LTD	
31/03/2010	GRT	GROWPOINT PROPERTIES LIMITED	VARIOUS	147,500.00	10,000	VARIOUS	NEDBANK LTD	
27/01/2010	GRT	GROWPOINT PROPERTIES LIMITED	VARIOUS	3,776,000.00 3,923,500.00 266,000	256,000 266,000	VARIOUS	NEDBANK LTD	
17/03/2010	LBT	LIBERTY INTERNATIONAL PLC	VARIOUS	31,753.00	565	VARIOUS	NEDBANK LTD	

## 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
12/10/2009 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	165,733.80	2,949	VARIOUS	NEDBANK LTD	
26/06/2009 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	562,000.00	10,000	VARIOUS	NEDBANK LTD	
15/02/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	620,897.50	11,048	VARIOUS	NEDBANK LTD	
12/02/2010 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	1,521,952.20	27,081	VARIOUS	NEDBANK LTD	
18/12/2009 LBT	LIBERTY INTERNATIONAL PLC		VARIOUS	2,944,880.00	52,400	VARIOUS	NEDBANK LTD	
				<u>5,847,216.60</u>	<u>104,043</u>			
29/09/2010 MNP	MONDI PLC		VARIOUS	6,605,493.00	128,262	VARIOUS	NEDBANK LTD	
				<u>6,605,493.00</u>	<u>128,262</u>			
31/03/2010 MPC	MR PRICE GROUP LIMITED		VARIOUS	338,300.00	6,500	VARIOUS	NEDBANK LTD	
30/03/2010 MPC	MR PRICE GROUP LIMITED		VARIOUS	740,280.00	18,600	VARIOUS	NEDBANK LTD	
30/03/2010 MPC	MR PRICE GROUP LIMITED		VARIOUS	861,391.40	21,643	VARIOUS	NEDBANK LTD	
16/03/2010 MPC	MR PRICE GROUP LIMITED		VARIOUS	1,324,225.60	33,272	VARIOUS	NEDBANK LTD	
24/12/2009 MPC	MR PRICE GROUP LIMITED		VARIOUS	1,353,200.00	34,000	VARIOUS	NEDBANK LTD	
13/11/2009 MPC	MR PRICE GROUP LIMITED		VARIOUS	1,870,600.00	47,000	VARIOUS	NEDBANK LTD	
				<u>6,487,997.00</u>	<u>183,015</u>			
28/01/2010 NED	NEDBANK LIMITED		VARIOUS	35,420.00	253	VARIOUS	NEDBANK LTD	
24/12/2009 NED	NEDBANK LIMITED		VARIOUS	5,299,000.00	37,850	VARIOUS	NEDBANK LTD	
				<u>5,334,420.00</u>	<u>38,103</u>			
19/03/2010 NPN	NASPERS LIMITED		VARIOUS	14,832,139.50	46,863	VARIOUS	NEDBANK LTD	
				<u>14,832,139.50</u>	<u>46,863</u>			
31/03/2010 RMIH	RMB HOLDINGS LIMITED		VARIOUS	945,592.44	29,212	VARIOUS	NEDBANK LTD	
				<u>945,592.44</u>	<u>29,212</u>			
18/12/2009 SHP	SHOPRITE HOLDINGS LIMITED		VARIOUS	86,149.50	1,185	VARIOUS	NEDBANK LTD	
01/02/2010 SHP	SHOPRITE HOLDINGS LIMITED		VARIOUS	269,682.90	3,627	VARIOUS	NEDBANK LTD	
01/03/2010 SHP	SHOPRITE HOLDINGS LIMITED		VARIOUS	1,710,194.80	23,524	VARIOUS	NEDBANK LTD	
				<u>2,060,027.20</u>	<u>26,336</u>			
27/01/2010 SOL	SASOL LIMITED		VARIOUS	21,191,100.00	70,000	VARIOUS	NEDBANK LTD	
				<u>21,191,100.00</u>	<u>70,000</u>			
11/03/2010 TRU	TRUWORTHS INTERNATIONAL		VARIOUS	271,960.00	5,200	VARIOUS	NEDBANK LTD	
				<u>271,960.00</u>	<u>5,200</u>			
10/02/2010 WHL	WOOLWORTHS		VARIOUS	5,411,232.87	240,179	VARIOUS	NEDBANK LTD	
				<u>5,411,232.87</u>	<u>240,179</u>			

Script lending

Transaction date	Script or lent	Script name	Security in place	Pair value R	No. of shares lent	Name of counter party	Script custodian	Manufactured dividend
------------------	----------------	-------------	-------------------	-----------------	--------------------	--------------------------	------------------	-----------------------

TOTAL

109,858,165.56	2,301,093
----------------	-----------

NATAL JOINT MUNICIPAL PEN/SUPERANN PRU 8882034429-NJPS01	144,802,932.95
NATAL JOINT MUNICIPAL PEN/SUPERANN AGAM 8882020975-NJP802	100,722,576.01
NATAL JOINT MUNICIPAL PEN/SUPERANN CORS 8882034398-NJPS03	109,858,165.56
OVERALL VALUE ON EQUITIES	355,383,664.52

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><u>NATAL JOINT MUNICIPAL PEN/SUPERANN PRU 8882034429 -NJPS01</u></b>								
07/01/2010 R186	REPUBLIC OF SA (R186)		VARIOUS	802,577.68	700,000	VARIOUS	NEDBANK LTD	
02/10/2009 R186	REPUBLIC OF SA (R186)		VARIOUS	802,577.68	700,000	VARIOUS	NEDBANK LTD	
25/09/2009 R186	REPUBLIC OF SA (R186)		VARIOUS	9,951,694.20	8,678,684	VARIOUS	NEDBANK LTD	
				<u>11,557,049.56</u>	<u>10,078,684</u>			
09/11/2009 R203	SOUTH AFRICAN BONDS		VARIOUS	6,936,680.60	7,000,000	VARIOUS	NEDBANK LTD	
				<u>6,936,680.60</u>	<u>7,000,000</u>			
09/11/2009 R204	SOUTH AFRICAN		VARIOUS	581,353.20	600,000	VARIOUS	NEDBANK LTD	
25/09/2009 R204	SOUTH AFRICAN		VARIOUS	9,765,966.42	10,079,000	VARIOUS	NEDBANK LTD	
				<u>10,347,331.62</u>	<u>10,679,000</u>			
06/11/2009 R206	SOUTH AFRICAN BOND		VARIOUS	3,636,028.95	3,690,000	VARIOUS	NEDBANK LTD	
				<u>3,636,028.95</u>	<u>3,690,000</u>			
27/02/2009 R207	SOUTH AFRICAN BONDS(R207)		VARIOUS	272,834.70	300,000	VARIOUS	NEDBANK LTD	
25/09/2009 R207	SOUTH AFRICAN BONDS(R207)		VARIOUS	4,766,422.21	5,241,000	VARIOUS	NEDBANK LTD	
				<u>5,039,256.91</u>	<u>5,541,000</u>			
08/01/2010 R209	SOUTH AFRICAN BOND (R209)		VARIOUS	1,478,273.20	2,000,000	VARIOUS	NEDBANK LTD	
				<u>1,478,273.20</u>	<u>2,000,000</u>			
				<u>38,984,820.84</u>	<u>38,988,684</u>			
<b><u>TOTAL</u></b>								
<b><u>NATAL JOINT MUNICIPAL PEN/SUPERANN AGAM 8882020975-NJPS02</u></b>								
09/11/2009 R203	SOUTH AFRICAN BONDS		VARIOUS	17,896,264.78	18,085,698	VARIOUS	NEDBANK LTD	
				<u>17,896,264.78</u>	<u>18,085,698</u>			
06/11/2009 R206	SOUTH AFRICAN BOND		VARIOUS	4,492,121.62	4,558,800	VARIOUS	NEDBANK LTD	
				<u>4,492,121.62</u>	<u>4,558,800</u>			

CORPORATE ACTION DIVIDEND PAYMENT-NATAL JOINT

NATAL JOINT MUNICIPAL PEN/SUPERANN-AGAM-NJPS02

SCRIP NO	PAY DATE	INCOME	QUANTITY	AMOUNT PAID	SHARE CODE	COMPANY	PRICE
8882020975	20100315	INC	18,085,698.00	746,035.04	R 203	NED	0.04
8882020975	20100115	INC	4,558,800.00	170,955.00	R 206	NED	0.04
8882020975	20091026	INC	22,716.00	4,316.04	AFX	NED	0.19
8882020975	20100319	INC	90,251.00	63,175.70	ANG	NED	0.70
8882020975	20100118	INC	70,250.00	49,175.00	BAW	NED	0.70
8882020975	20091019	INC	357,422.00	78,632.84	FSR	NED	0.22
8882020975	20100118	INC	727,012.00	174,482.88	NPK	NED	0.24
8882020975	20091211	INC	193,000.00	243,253.34	SAB	NED	1.26
8882020975	20100323	INC	25,700.00	20,560.00	SHP	NED	0.80
8882020975	20091019	INC	93,511.00	561,066.00	SOL	NED	6.00
				2,111,651.84			

NATAL JOINT MUNICIPAL PEN/SUPERANN-CORONATION-NJPS03

SCRIP NO	PAY DATE	INCOME	QUANTITY	AMOUNT PAID	SHARE CODE	COMPANY	PRICE
8882034399	20091221	INC	203,909.00	203,909.00	ABL	NED	1.00
8882034399	20100319	INC	4,365.00	3,055.50	ANG	NED	0.70
8882034399	20100315	INC	10,980.00	24,156.00	ASA	NED	2.20
8882034399	20100323	INC	37,149.00	121,209.42	BIL	NED	3.26
8882034399	20091130	SHP	13,647.00	25,929.30	BVT	NED	1.90
8882034399	20090928	INC	22,828.00	22,828.00	EXX	NED	1.00
8882034399	20100111	INC	4,800.00	5,664.00	FOS	NED	1.18
8882034399	20091123	INC	257,178.00	67,637.81	FPT	NED	0.26
8882034399	20091019	INC	311,803.00	68,596.66	FSR	NED	0.22
8882034399	20100323	INC	256,000.00	151.04	GRT	NED	0.00
8882034399	20100323	INC	256,000.00	151,144.96	GRT	NED	0.59
8882034399	20091027	INC	22,451.00	10,918.37	LBT	NED	0.49
8882034399	20091207	INC	51,200.00	23,654.40	MPC	NED	0.46
8882034399	20100118	INC	42,250.00	10,140.00	NPK	NED	0.24
8882034399	20091019	INC	35,900.00	16,155.00	RMH	NED	0.45
8882034399	20100323	INC	50,300.00	40,240.00	SHP	NED	0.80
8882034399	20091019	INC	51,095.00	306,570.00	SOL	NED	6.00
8882034399	20091207	INC	77,878.00	155,756.00	SPP	NED	2.00
8882034399	20100315	INC	30,289.00	30,894.78	TRU	NED	1.02
				1,288,610.24			

NATAL JOINT MUNICIPAL PEN/SUPERANN-PRUDENTIAL-NIPSO1

SCRIP NO	PAY DATE	INCOME	QUANTITY	AMOUNT PAID	SHARE CODE	COMPANY	PRICE
8882034429	20100315	INC	2,600,000.00	175,500.00	R 157	NED	0.07
8882034429	20091221	INC	16,700,000.00	876,750.00	R 186	NED	0.05
8882034429	20100315	INC	7,000,000.00	288,750.00	R 203	NED	0.04
8882034429	20091221	INC	10,600,000.00	424,000.00	R 204	NED	0.04
8882034429	20100115	INC	3,690,000.00	138,375.00	R 206	NED	0.04
8882034429	20100115	INC	5,541,000.00	200,861.25	R 207	NED	0.04
8882034429	20091019	INC	85,866.00	124,505.70	AEG	NED	1.45
8882034429	20100315	INC	69,782.00	153,520.40	ASA	NED	2.20
8882034429	20100323	INC	104,263.00	340,188.38	BIL	NED	3.26
8882034429	20090928	INC	51,339.00	51,339.00	EXX	NED	1.00
8882034429	20091123	INC	399,300.00	105,015.90	FPT	NED	0.26
8882034429	20100301	INC	52,911.00	26,455.50	GFI	NED	0.50
8882034429	20100315	INC	27,102.00	8,130.60	GND	NED	0.30
8882034429	20100323	INC	504,605.00	297,923.84	GRT	NED	0.59
8882034429	20100323	INC	504,605.00	297.72	GRT	NED	0.00
8882034429	20100329	INC	13,500.00	22,545.00	HYP	NED	1.67
8882034429	20100315	INC	50,000.00	60,000.00	IMP	NED	1.20
8882034429	20091218	INC	14,628.00	14,628.00	INL	NED	1.00
8882034429	20091027	INC	54,541.00	26,524.38	LBT	NED	0.49
8882034429	20091214	INC	110,945.00	44,100.64	PIK	NED	0.40
8882034429	20100329	INC	2,230,401.00	295,305.09	SAC	NED	0.13
8882034429	20100329	INC	4,000.00	12,000.00	SNT	NED	3.00
8882034429	20091019	INC	62,224.00	373,344.00	SOL	NED	6.00
8882034429	20091207	INC	61,145.00	122,290.00	SPP	NED	2.00
				4,182,350.40			

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

**The KwaZulu-Natal Joint Municipal Superannuation 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>5,201,398,900</b>
<b>B. LESS: NON-INVESTMENT ITEMS OF STATEMENT OF NET ASSETS &amp; FUNDS</b>	<b>28,898,288</b>
1 FIXED ASSETS	1,011,783
2 CURRENT ASSETS ( EXCLUDING CASH AT BANK)	27,886,505
<b>C. FAIR VALUE OF ASSETS - COMPLIANCE</b>	<b>5,172,500,612</b>

Categories of assets	Total Fair Value R	Weight	Max Weight
1. Deposits in banks, mutual banks, Postbank and SAFEX:	766,671,781	14.82%	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:		0.00%	
	766,671,781	14.82%	100%
(i) Per bank or mutual bank	751,016,815	14.52%	20%
(ii) Postbank	-	0.00%	20%
(iii) SAFEX	15,654,966	0.30%	5%
		0.00%	
(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%
		0.00%	
		0.00%	
2. Kruger Rands	-	0.00%	10%
		0.00%	
3. Bills, bonds and securities issued or guaranteed loans to or guaranteed by-	14,086,267	0.27%	100%
		0.00%	
(a) Inside the Republic-	14,086,267	0.27%	
(i) Local authorities by law to levy rates upon immovable property	-	0.00%	100%
-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	1,651,171	0.03%	20%
(iv) Eskom	12,435,096	0.24%	20%
(v) Land and Agricultural Bank of South Africa	-	0.00%	20%
(vi) Local Authorities Loans Fund Board	-	0.00%	20%
		0.00%	
(b) Territories outside the Republic - Bills, bonds and securities issued or guaranteed by the foreign Government concerned	-	0.00%	15%
		0.00%	
		0.00%	
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			
	696,987,819	13.47%	100%
- per institution	696,987,819	13.47%	20%
		0.00%	
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%
		0.00%	
		0.00%	
Limitations in respect of investments in items 6 and 7	3,432,042,458	66.35%	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:		0.00%	
		215,805,712	4.17%	25%
			0.00%	
	These investments are subject to the following limitation:		0.00%	
	(a) inside the Republic-		0.00%	
	Per any single property or property development project	215,805,712	4.17%	25%
		215,805,712	4.17%	5%
			0.00%	
	(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:	3,216,236,746	62.18%	75%
			0.00%	
	Subject to the following limitations:		0.00%	
	(a) Inside the Republic-	2,007,885,791	38.82%	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	4,635,833	0.09%	5%
	(ii) Shares and convertible debentures listed on the JSE, other than the Development Capital Sector	2,003,249,959	38.73%	75%
	(aa) Companies with a market capitalisation of R2000 million or less	20,238,627	0.39%	75%
	- per Company	20,238,627	0.39%	10%
	(bb) Companies with a market capitalisation of more than R2000 million	1,983,011,332	38.34%	75%
	- per Company	1,983,011,332	38.34%	15%
			0.00%	
			0.00%	
	(b) Territories outside the Republic-	112,646,838	2.18%	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	112,646,838	2.18%	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	112,646,838	2.18%	15%
	- per Company	112,646,838	2.18%	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	458,716,776	8.87%	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	636,987,341	12.31%	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%	
Limitations for investment in items 6-9, and items 10 (a) and (b)	3,432,042,458	66.35%	95%
		0.00%	
(c) Bills, bonds or securities issued or guaranteed by the Government of the Republic or by a provisional administration	262,712,347	5.08%	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	766,671,781	14.82%	100%
(ii) Assets referred to in paragraph (c) of item 10 of this Annexure, or	262,712,347	5.08%	100%
(iii) Assets referred to in items 3, 4, and 5 of this Annexure	711,074,086	13.75%	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>5,172,500,671</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, loan	-	0%	10%
(d) Preference and ordinary shares in companies, convertible debentures outside the Republic	112,646,838	15%	15%
(e) Units in equity collective investment schemes outside the Republic	204,443,884	27%	15%
(f) Debentures and other secured claims against individuals and companies and units in income collective investment scheme		0%	15%
(g) Other	432,543,458	58%	2.5%
<b>TOTAL</b>	<b>749,634,180</b>	<b>100%</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/company/individual in each category of assets.

Investments in institution/company/individual	Fair Value R	% of Fair Value	Item
---	-----------------	--------------------	------

**EXEMPTIONS GRANTED BY THE REGISTRAR**

Item	Date of Letter	Expiry Date	Max %
------	----------------	-------------	-------

## ***ANNEXURE E***

## **REPORT OF THE AUDITOR-GENERAL TO THE TRUSTEES OF THE NATAL JOINT MUNICIPAL PENSION FUND (SUPERANNUATION) 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 the Natal Joint Municipal Pension Fund (Superannuation) (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 we 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 (Superannuation) 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.

*Auditor General*

Pietermaritzburg

15 October 2010



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

