



**ANNUAL FINANCIAL STATEMENTS  
IN TERMS SECTION 15 OF THE PENSION FUNDS ACT NO 24, 1956  
AS AMENDED (PENSION FUNDS ACT)**

**NAME OF RETIREMENT FUND:** NATAL JOINT MUNICIPAL PENSION FUND  
(RETIREMENT)

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

For the period: 1 APRIL 2015 to 31 MARCH 2016

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\* Not subject to any engagement by an auditor

## NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

### SCHEDULE A REGULATORY INFORMATION For the year ended 31 March 2016

#### Registered office of the fund

Postal address: P O Box 33, Westwood, 3633  
Physical address: 5 Derby Downs, University Road, Westville, Durban

#### Financial reporting periods

Current: 01/04/2015 to 31/03/2016  
Previous: 01/04/2014 to 31/03/2015

#### Board of Fund

Full name	E-mail address	Capacity*	Date appointed or re-appointed date (for all Board members)	Date resigned (for all Board members)
Cllr. Mr. Talmage Earl Andrew	director@njmpf.co.za	E	23.07.2007	
Cllr. Nair Yagabaram	director@njmpf.co.za	E	30.05.2014	
Cllr. Mrs. Gumbi Ntombizethu Vera	director@njmpf.co.za	E	21.05.2010	
Cllr. Mr. Nyathi Mzwandile Victor	director@njmpf.co.za	E	19.08.2011	
Cllr. Ms. Mavimbela Hlengiwe Goodness Sundile	director@njmpf.co.za	E	11.11.2011	
Mr. Ndlovu Busani Welcome	director@njmpf.co.za	E	01.10.2014	
Mr. Dube Xolani	director@njmpf.co.za	M / C	30.11.2001	
Ms. Mngadi Thandi Barbara	director@njmpf.co.za	M	01.07.2002	
Mr. Madlala Dennis Mndeni	director@njmpf.co.za	M	22.02.2008	
Mr. Khanyile Mhlonipheni Solly	director@njmpf.co.za	M	18.01.2013	
Mr. Hoosen Abdul Rahaman	director@njmpf.co.za	P	07.07.2008	
Ms. Sibilya Busisiwe Virginia	director@njmpf.co.za	M	30.06.2014	

- \* - 'M' denotes member elected  
- 'E' denotes employer appointed  
- 'A' denotes alternate  
- 'C' denotes chairperson  
- 'I' denotes independent  
- 'R' denotes section 26(2) appointment  
- 'S' denotes sponsor appointed  
- 'P' denotes pensioner appointed

Governance note: schedule of meetings\* held by the Board of Fund in terms of the rules of the fund

# NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

Meeting date	Place of meeting	Quorum (yes/no)
17.04.2015	Lydgetton, KwaZulu-Natal	Yes
22.05.2015	Westville, KwaZulu-Natal	Yes
29.05.2015	Westville, KwaZulu-Natal	Yes
19.06.2015	Westville, KwaZulu-Natal	Yes
24.07.2015	Lydgetton, KwaZulu-Natal	Yes
29.07.2015	Westville, KwaZulu-Natal	Yes
21.08.2015	Westville, KwaZulu-Natal	Yes
18.09.2015	Westville, KwaZulu-Natal	Yes
23.10.2015	Westville, KwaZulu-Natal	Yes
04.11.2015	Westville, KwaZulu-Natal	Yes
20.11.2015	Westville, KwaZulu-Natal	Yes
27.11.2015	Hillcrest, KwaZulu-Natal	Yes
09.12.2015	Westville, KwaZulu-Natal	Yes
22.01.2016	Westville, KwaZulu-Natal	Yes
18.02.2016	Lydgetton, KwaZulu-Natal	Yes
15.03.2016	Westville, KwaZulu-Natal	Yes

\* Only meetings held by the Board of Fund and does not include meetings held by the sub-committees

## Fund officers

	Principal officer	Deputy Principal officer	Monitoring person*
Full name:	Sam Camilleri		Sam Camilleri
Postal address:	P O Box 33, Westwood, 3633		P O Box 33, Westwood, 3633
Physical address:	5 Derby Downs, University Road, Westville		5 Derby Downs, University Road, Westville
Telephone number:	031-279 5300		031-279 5300
Email address:	director@njmpf.co.za		director@njmpf.co.za

\*(In terms of Section 13A of the Pension Funds Act)

## Professional service providers

(Indicate the date of appointment/resignation of any service provider during the reporting period)

	Actuary/Valuator	Auditor
Full name:	Argen Actuarial Solutions	Auditor-General of South Africa
Postal address:	P O Box 413266, Craighall, 2024	Private Bag X9034, Pietermaritzburg, 3200
Physical address:	1 <sup>st</sup> Floor, Marlborough Gate, Hyde Lane, Hyde Park, Johannesburg	Block B, 460 Townbush Road, Cascades, Pietermaritzburg
Telephone number:	011-441 2700	033-264 7518
Email address:	jhb@argen.solutions	pmbraha@agsa.co.za

	Benefit administrator	Fund consultant
Full name:	Natal Joint Municipal Pension Funds	
Postal address:	P O Box 33, Westwood, 3633	
Physical address:	5 Derby Downs, University Road, Westville, Durban	
Telephone number:	08610 NJMPF (65673)	

Benefit administrator's registration number in terms of section 13B:	
Fund consultant's FAIS registration number	

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)****REGULATORY INFORMATION - CONTINUED****For the year ended 31 March 2016**

	<b>Investment administrator</b>	<b>Investment advisor</b>
Full name:		Alexander Forbes Financial Services
Postal address:		P O Box 787240, Sandton, 2146
Physical address:		115 West Street, Sandown, 2196
Telephone number:		011-269 0000
Investment administrator's FAIS registration number :		
Investment advisor's FAIS registration number		1177

	<b>Risk insurer</b>	<b>Custodian and/or nominee</b>
Full name:	Camargue	Nedbank Ltd
Postal address:	Postnet Suite 250, Private Bag X4, Bedfordview, 2008	P O Box 1144, Johannesburg, 2000
Physical address:	33 Glenhove Road, Melrose Estate, Johannesburg	16 Constantia Kloof, Roodepoort, Johannesburg
Telephone number:	011-778 9140	011-534 6597
FSP approval no.:	6344	NCRCP16

**Participating employers**

The following employer/(s) participate in the fund in terms of the rules of the fund:

The list of participating employers is available for inspection at the fund's registered office.

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

### **SCHEDULE B**

#### **STATEMENT OF RESPONSIBILITY BY THE BOARD OF FUND**

**For the year ended 31 March 2016**

##### **Responsibilities**

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

- ensured that proper registers, books and records of the operations of the fund were kept, inclusive of proper minutes of all resolutions passed by the Board of Fund;
- ensured that proper internal control systems were employed by or on behalf of the fund;
- ensured that adequate and appropriate information was communicated to the members of the fund, informing them of their rights, benefits and duties in terms of the rules of the fund;
- took all reasonable steps to ensure that contributions, where applicable, were paid timeously to the fund or reported where necessary in accordance with section 13A and regulation 33 of the Pension Funds Act;
- obtained expert advice on matters where they lacked sufficient expertise;
- ensured that the rules and the operation and administration of the fund complied with the Pension Funds Act and all applicable legislation;
- ensured that fidelity cover was maintained and that this cover was deemed adequate and in compliance with the rules of the fund; and
- ensured that investments of the fund were implemented and maintained in accordance with the fund's investment strategy.

##### **Approval of the annual financial statements**

The annual financial statements of Natal Joint Municipal Pension Fund (Retirement) are the responsibility of the Board of Fund. The Board of Fund fulfils this responsibility by ensuring the implementation and maintenance of accounting systems and practices adequately supported by internal financial controls. These controls, which are implemented and executed by the fund and/or its benefit administrators, provide reasonable assurance that:

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

The annual financial statements set out on Schedules F, G and HA have been prepared for regulatory purposes in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, the rules of the fund and the Pension Funds Act.

These financial statements have been reported on by the Independent auditor, Auditor-General of South Africa, who was given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Board of Fund believes that all representations made to the independent auditor in the management representation letter during the audit were valid and appropriate. The report of the independent auditor is presented on Schedule D.

##### **Instances of non-compliance**

We are not aware of instances of non-compliance with laws and regulations, including the provisions of laws and regulations that determine the reported amounts and disclosures in the financial statements.

## NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

### STATEMENT OF RESPONSIBILITY BY THE BOARD OF FUND - CONTINUED For the year ended 31 March 2016

These financial statements:

- were approved by the Board of Fund on 13 September 2016;
- are to the best of the Board members knowledge and belief confirmed to be complete and correct;
- fairly represent the net assets of the fund at 31 March 2016 as well as the results of its activities for the period then ended; and
- are signed on behalf of the Board of Fund by:



CHAIRPERSON

Name: MR. X. DUBE

13 September 2016



BOARD MEMBER

Name: MR. EA TALMAGE

13 September 2016



BOARD MEMBER

Name: MS. T.B. MNGADI

13 September 2016

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

**SCHEDULE C**

**STATEMENT OF RESPONSIBILITY BY THE PRINCIPAL OFFICER**

**For the year ended 31 March 2016**

I confirm that for the period under review the Natal Joint Municipal Pension Fund (Retirement) has timeously submitted all regulatory and other returns, statements, documents and any other information as required in terms of the Pension Funds Act and to the best of my knowledge all applicable legislation.

A handwritten signature in black ink, appearing to be 'Sam Camilleri', with a long horizontal stroke extending to the right.

**PRINCIPAL OFFICER**

*Sam Camilleri*

*13 September 2016*

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

**SCHEDULE D**

**REPORT OF THE AUDITOR TO THE BOARD OF FUND**

Insert the relevant report as indicated in the matrix below:

<b>Schedule</b>	<b>Category</b>	<b>Annexure</b>
Schedule D 1	Umbrella funds	1

\* Ordinary – any fund other than an umbrella, Retirement Annuity or Preservation Fund



# **Report of the auditor-general to the Board of Trustees and the Registrar of Pension funds on the Natal Joint Municipal Pension Fund- Retirement**

## **Report on the financial statements**

### **Introduction**

1. I have audited the annual financial statements of the Natal Joint Municipal Pension Fund (Retirement) set out on Schedule F to HA, which comprise the statement of net assets and funds as at 31 March 2016, 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.

### **The Board of Trustees' responsibility for the financial statements**

2. The Board of Trustees are responsible for the preparation of these financial statements for regulatory purposes, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa as set out in Annexure B to the financial statements, the requirements of the Pension Funds Act, 1956 (Act No. 24 of 1956) (PFA), and for such internal controls as management determines necessary to enable the preparation of the financial statement that are free from material misstatement, whether due to fraud or error.

### **Auditor-General's responsibility**

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the International Standards on Auditing. 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.
4. 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 and fair presentation 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinion**

6. In my opinion, the financial statements of Natal Joint Municipal Pension Fund (Retirement) as at 31 March 2016 have been prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa as set out in Annexure B to the financial statements and the requirements of the PFA.

## **Emphasis of matters**

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

## **Basis of accounting**

8. The financial statements are prepared in accordance with the basis of preparation indicated above. Consequently, the financial statements and related auditor's report may not be suitable for another purpose.

## **Report on other legal and regulatory requirements**

9. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

## **Predetermined objectives**

10. I did not audit performance against predetermined objectives, as the fund is not required to prepare a report on its performance against predetermined objectives. The fund does not fall within the ambit of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) and the PFA internal frameworks and policies do not require reporting on performance against predetermined objectives.

## **Compliance with laws and regulations**

11. I performed procedures to obtain evidence that the fund had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

## Internal control

12. I considered internal control relevant to my audit of the financial statements and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

Pietermaritzburg

30 August 2016



*Auditing to build public confidence*

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

### **SCHEDULE E**

#### **REPORT OF THE BOARD OF FUND**

**For the year ended 31 March 2016**

#### **1. DESCRIPTION OF THE FUND**

##### **1.1. Type of fund**

The fund is a pension fund and is a defined benefit fund.

##### **1.2. Benefits**

1.2.1. The Fund was established in 1967 as a defined contribution fund, and was subsequently converted into a defined benefit fund in 1975. The Fund 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.

##### **1.2.2 Unclaimed benefits**

The Strategy of Board of Fund towards 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.

##### **1.3. Contributions**

##### **1.3.1. Description in terms of the rules of the fund.**

1.3.1.1. Members' contribute at a rate of 7% of their pensionable emoluments.

Members may make additional voluntary contributions as per the rules of the fund.

1.3.1.2. Participating employers contribute at a rate of 18.37% of pensionable salary. A surcharge of 15.85% of members' salary has been charged to participating employers.

##### **1.4. Rules/ amendments**

##### **1.4.1. Amendments (period under review)**

There were no rule amendments during the period under review.

##### **1.4.2. Revised rules / consolidated rules:**

During the current financial period the rules of the fund were not completely revised / consolidated.

##### **1.5. Reserves and specified accounts established in terms of the rules of the fund**

Solvency and Risk reserves – see note 21.

## NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

### REPORT OF THE BOARD OF FUND - CONTINUED

For the year ended 31 March 2016

#### 2. INVESTMENTS

##### 2.1. 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.

2.1.1. *General: 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.*

2.1.2. *Individual member choice: N/a*

2.1.3. *Unclaimed benefits: 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.*

2.1.4. *Surplus apportionment allocations: N/a*

2.1.5. *Reserve accounts : N/a*

2.1.6. *Settlement income: N/a*

2.1.7. *Derivative Instruments: The Board of Fund utilises derivative instruments as part of their investment strategy. The Board of Fund ensures that the following have been complied with:*

- *The exposure of the asset class does not exceed the maximum percentages as prescribed to the underlying asset as set out in Regulation 28.*
- *The investment mandate is in place and reviewed by the Board of Fund on a regular basis to ensure compliance with the requirements as prescribed by Regulation 28 and the relevant Notice.*
- *The investments are monitored for compliance with the provisions of regulation 28 and adherence to the investment mandate.*

2.1.8. *Hedge funds: The Board of Fund does not utilise hedge funds as part of their investment strategy.*

2.1.9. *Private Equity Funds: The Board of Fund does not utilise private equity funds as part of their investment strategy.*

2.1.10. *Securities Lending Transactions: The Board of Fund utilises securities lending transactions as part of their investment strategy. The Board of Fund ensures that the securities lending transactions are in compliance with the relevant conditions as prescribed by Notice issued by the Registrar of Pension Funds.*

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

### **REPORT OF THE BOARD OF FUND - CONTINUED**

**For the year ended 31 March 2016**

#### **2.2. Management of Investments**

##### **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 \*CPI plus 5% net of investment fees over rolling five-year periods.
- In addition, the manager is expected to add returns of 2% a year in excess of that achieved from the passive benchmark portfolio, measured over rolling 5 year periods.
- During the Financial year the Committee of Management and the Fund's Actuary having considered the Liabilities of the Fund, using appropriate stochastic asset modeling tools have from 1 April 2011 increased the long term investment objective return from CPI plus 4.5% to at least CPI plus 5.0% 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.

##### **PERFORMANCE RESULTS**

<b>Year</b>	<b>*CPI + 5%</b>	<b>Retirement Fund % Return</b>
<b>5 years to 31<sup>st</sup> March 2016</b>	<b>10.7</b>	<b>15.1</b>

<b>Year</b>	<b>Retirement Fund % Return</b>	<b>Investment Manager Benchmark</b>
<b>5 years to 31<sup>st</sup> March 2016</b>	<b>15.1</b>	<b>14.7</b>

The Fund has achieved the long term investment objective of achieving at least \*CPI+5% over the 5 years to 31 March 2016 having outperformed by 4.4% p.a. The Fund achieved investment manager benchmark plus 0.4% p.a. over the 5 years to 31 March 2016. The Fund has achieved excellent short and long term investment performance which has enabled the Fund to increase and improve benefits to members of the defined benefits. The Retirement Fund is consistently ranked in the top half over the long term, in the Alexander Forbes Global Large Manager Watch Survey. This makes the Fund one of the country's top investment managers with consistent long term outperformance.

Source: Alexander Forbes

\*The investment objective prior to 1/4/2011 was CPI + 4.5%

## NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

### REPORT OF THE BOARD OF FUND - CONTINUED For the year ended 31 March 2016

#### 3. MEMBERSHIP

	Active members	Deferred pensioners	Pensioners	Beneficiaries	Unclaimed benefits
<b>Numbers at beginning of period</b>	2477	4	1367	2742	320
Adjustments					
Additions	6		198	322	73
Transfers in					
Transfers out	(78)				
Withdrawals	(27)				
Retirements	(117)			N/a	N/a
Retrenchments				N/a	N/a
Deaths	(43)		(201)	(195)	N/a
Transfers (from)/to pensioners / deferred pensioners					
Unclaimed Benefit paid					(112)
<b>Numbers at end of period</b>	<b>2218</b>	<b>4</b>	<b>1364</b>	<b>2869</b>	<b>281</b>
Number at end of period (South African citizen)	2218	4	1364	2869	281
Number at end of period (non-South African citizen)	0	0	0	0	0

#### 4. ACTUARIAL VALUATION

The financial statements summarise the transactions and net assets of the fund. The financial statements do not take account of liabilities to pay pensions and other benefits in the future. In accordance with the rules of the fund, the actuarial position of the fund, which does take account of such liabilities, is examined and reported on by the actuary at intervals not exceeding three years. An actuarial valuation was performed as at 31 March 2014 and the Valuator reported that the fund was not in a sound financial position, but the surcharge being paid is expected to restore the fund to a sound financial position within the period permitted by the FSB.

#### 5. SURPLUS APPORTIONMENT OR NIL SCHEME

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.

#### 6. HOUSING LOAN FACILITIES

The fund has granted housing loan guarantees in terms of Section 19(5) of the Pension Funds Act. Each guarantee is secured by the fund credit of the respective member. The loan is limited to 50% of the respective member's fund credit.

#### 7. INVESTMENTS IN PARTICIPATING EMPLOYERS

The fund holds no direct investments in the participating employer.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**SCHEDULE F**  
**STATEMENT OF NET ASSETS AND FUNDS**  
**At 31 March 2016**

	Notes	Mar 2016 R	Mar 2015 R
<b>ASSETS</b>			
<b>Non-current assets</b>		3,800,827,072.11	3,719,551,993.79
Plant and equipment	1	7,071,000.00	7,451,758.16
Investments (including investment and owner occupied properties)	2	3,793,756,072.11	3,712,100,235.63
Housing loan facilities	3	-	-
Surplus improperly utilised receivable	22	-	-
<b>Current assets</b>		43,138,325.98	41,366,133.31
Transfers receivable	5	-	-
Accounts receivable	4	797,179.19	517,281.43
Contributions receivable	12	4,471,441.52	10,521,427.79
Cash at bank		37,869,705.27	30,327,424.09
Surplus improperly utilised receivable	22	-	-
<b>Total assets</b>		<b>3,843,965,398.09</b>	<b>3,760,918,127.10</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds and surplus account</b>		3,306,534,418.64	3,049,220,493.57
Accumulated funds		3,306,534,418.64	3,049,220,493.57
Member surplus account	21	-	-
<b>Reserves</b>		429,698,627.07	601,556,322.77
Reserve accounts	21	429,698,627.07	601,556,322.77
Revaluation reserve: Property, plant and equipment	6	-	-
<b>Total funds and reserves</b>		<b>3,736,233,045.71</b>	<b>3,650,776,816.34</b>
<b>Non-current liabilities</b>		15,859,385.61	15,608,379.36
Employer surplus account	21	-	-
Financial liabilities	16.1	-	-
Provisions	16.2	1,800,827.85	1,860,628.01
Unclaimed benefits	9	14,058,557.76	13,747,751.35
<b>Current liabilities</b>		91,872,966.77	94,532,931.40
Transfers payable	7	9,469,327.07	14,803,762.16
Benefits payable	8	21,977,572.82	29,453,629.48
Accounts payable	10	60,426,066.88	50,016,415.33
Retirement fund taxation	11	-	-
Contributions payable		-	259,124.43
Bank overdraft		-	-
<b>Total funds and liabilities</b>		<b>3,843,965,398.09</b>	<b>3,760,918,127.10</b>



**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**SCHEDULE G**  
**STATEMENT OF CHANGES IN NET ASSETS AND FUNDS**  
For the period ended 31 March 2016

	Notes	<b>A</b>		<b>B</b>		<b>A + B</b>	
		<b>Members' individual accounts &amp; amounts to be allocated/</b>		<b>Reserves</b>		<b>Total</b>	
		<b>Accumulated funds</b>		<b>Refer notes 6 and 21</b>		<b>Mar 2016</b>	
		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>Mar 2015</b>
Contributions received and accrued	12	133 326 328,99	-	-	-	133 326 328,99	140 402 948,92
Contributions transferred from reserve accounts	21	-	-	-	-	-	-
Contributions transferred from surplus accounts	21	-	-	-	-	-	-
Surplus improperly utilised	22	-	-	-	-	-	-
Reinsurance proceeds		-	-	-	-	-	-
Net investment income	13	214 289 665,39	-	-	-	214 289 665,39	486 988 235,99
(less) Allocated to unclaimed benefits		-	-	-	-	-	-
Other income (provide details)	13	-	-	-	-	-	-
Less:		6 415 598,13	-	-	-	6 415 598,13	(5 859 908,82)
Re-insurance premiums		-	-	-	-	-	-
Administration expenses	14	6 415 598,13	-	-	-	6 415 598,13	5 859 908,82
Retirement fund taxation	11	-	-	-	-	-	-
<b>Net income before transfers and benefits</b>		341 200 396,25	-	-	-	341 200 396,25	621 531 276,09
<b>Transfers and benefits</b>		(255 744 166,88)	-	-	-	(255 744 166,88)	(241 819 070,32)
Transfers from other funds	5	-	-	-	-	-	-
Transfers to other funds	7	(54 268 217,41)	-	-	-	(54 268 217,41)	(59 625 298,96)
Benefits	8	(201 475 949,47)	-	-	-	(201 475 949,47)	(182 193 771,36)
<b>Net income after transfers and benefits (carried forward)</b>		<b>85 456 229,37</b>	-	-	-	<b>85 456 229,37</b>	<b>379 712 205,77</b>

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**STATEMENT OF CHANGES IN NET ASSETS AND FUNDS- CONTINUED**  
For the period ended 31 March 2016

	Notes	A		B		A + B	
		Members' individual accounts & amounts to be allocated/		Reserves		Total	
		Accumulated funds		Refer Notes 6 & 21		Mar 2016	
		R	R	R	R	R	R
<b>Net income after transfers and benefits (brought forward)</b>		85 456 229,37	-	-	-	85 456 229,37	379 712 205,77
<b>Funds and reserves</b>		3 049 220 493,57	601 556 322,78	601 556 322,78	3 650 776 816,34	3 271 064 610,57	
Balance at beginning of period		3 049 220 493,57	601 556 322,78	601 556 322,78	3 650 776 816,34	3 271 064 610,57	
Prior period adjustments	15	-	-	-	-	-	-
Transfer between reserve accounts	21	3 134 676 722,84	601 556 322,78	601 556 322,78	3 736 233 045,71	3 650 776 816,34	
Investment return allocated		171 857 695,70	(171 857 695,70)	-	-	-	-
Current members		-	-	-	-	-	-
Former members		-	-	-	-	-	-
Surplus and reserve accounts	21	-	-	-	-	-	-
Surplus apportionment	21	-	-	-	-	-	-
Revaluation surplus: Property, plant and equipment	6	-	-	-	-	-	-
Transfer between reserve accounts		3 306 534 418,64	429 698 627,08	429 698 627,08	3 736 233 045,71	3 650 776 816,34	
Employer surplus account		-	-	-	-	-	-
Member surplus account		-	-	-	-	-	-
Allocations to/from surplus accounts		3 306 534 418,64	429 698 627,08	429 698 627,08	3 736 233 045,71	3 650 776 816,34	
Benefits to former members		-	-	-	-	-	-
Surplus transfers payments		-	-	-	-	-	-
Benefit enhancements - other		-	-	-	-	-	-
Surplus transfers received		-	-	-	-	-	-
<b>Balance at end of period</b>		3 306 534 418,64	429 698 627,08	429 698 627,08	3 736 233 045,71	3 650 776 816,34	

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**For the period ended 31 March 2016**

**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 in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, the rules of the Fund and the provisions of the Pension Funds Act in South Africa, 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 March 2015

- \* 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**

A financial asset is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of any other entity. A financial asset or a financial liability is recognised when its contractual arrangements become binding and is derecognised when the contractual rights to the cash flows of the instrument expire or when such rights are transferred in a transaction in which substantially all risks and rewards of ownership of the instrument are transferred.

Financial instruments carried on the statement of net assets and funds, include cash and bank balances, investments, receivables and accounts payable.

Financial instruments are recognised on acquisition using trade date accounting, which includes transaction costs. Upon initial recognition financial instruments are designated at fair value through the statement of changes in net assets and funds as the assets or liabilities are managed, evaluated and reported internally on a fair value basis.

Subsequent to initial recognition, these instruments are measured as set out below.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**For the period ended 31 March 2016**

**PRINCIPAL ACCOUNTING POLICIES**

**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.

**Investments**

Investments are classified as "at fair value through the statement of changes in net assets and funds" and are measured at fair value.

**Debentures and exchange traded funds**

The fair value of listed debentures and exchange traded funds traded on active liquid markets is based on regulated exchange quoted ruling prices at the close of business on the last trading day on or before the statement of net assets and funds date.

**Bills and bonds**

Bills and bonds comprise investments in government or provincial administration, local authorities and corporate bonds. The fair value of listed bills and bonds traded on active liquid markets is based on regulated exchange quoted ruling closing prices at the close of business on the last trading day on or before the statement of net assets and funds date.

**Cash and deposits**

Cash and deposits consist of deposits held at call with banks, other liquid investments with maturities of 12 months or less, structured deposit products and safex margin accounts. Cash and deposits are measured at fair value.

Investments in structured deposit products secured by bonds, which represent agreed annuity payments from banks in return for initial deposit amounts, are valued at the present value of the future cash flows applying market related interest rates stipulated in the structured arrangements.

**Equities**

Equity instruments consist of equities with primary listing on the JSE, equities with secondary listing on the JSE, foreign listed equities and unlisted equities.

Equity instruments designated as fair value through the statement of net changes in assets and funds by the fund are initially recognised at fair value on trade date.

**Listed equities**

Equity instruments are subsequently measured at fair value and the fair value adjustments are recognised in the statement of net changes in assets and funds. The fair value of equity instruments with standard terms and conditions and traded on active liquid markets is based on regulated exchange quoted ruling closing prices at the close of business on the last trading day on or before the statement of net assets and funds date.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market other than those that the fund intends to sell in the short term or that is designated as at fair value through the statement of changes in net assets and funds. Loans and receivables are measured at fair value.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**For the period ended 31 March 2016**

**PRINCIPAL ACCOUNTING POLICIES**

**Unlisted equities**

If a quoted closing price is not available the fair value is estimated using pricing models, or by applying appropriate valuation techniques such as discounted cash flow analysis or recent arm's length market transactions in respect of equity instruments.

**Preference shares**

The fair value of listed preference shares traded on active liquid markets is based on regulated exchange quoted ruling closing prices at the close of business on the last trading day on or before the statement of net assets and funds date.

**Insurance policies - linked or market-related policies**

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

**Collective investment schemes**

Investments in collective investment schemes are valued at fair value which is the quoted unit values, as derived by the collective investment scheme administrator with reference to the rules of each particular collective investment scheme, multiplied by the number of units.

**Derivative market instruments**

Derivative market instruments consist of options, equity linked instruments and futures/forwards - SAFEX.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from regulated exchange quoted market prices in active markets, including discounted cash flow models and option pricing models, as appropriate. The fund does not classify any derivatives as hedges in a hedging relationship.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) based on a valuation technique whose variables include only data from observable markets.

**Options**

Options are valued using option pricing models. Options are settled on a daily basis with profits and losses transferred to a deposit account reflected under cash and deposits in the statement of net assets.

**Futures/forwards**

The fair value of publicly traded derivatives is based on quoted closing prices for assets held or liabilities issued, and current offer prices for assets to be acquired and liabilities held. Futures are settled on a daily basis with profits and losses transferred to a deposit account reflected under cash and deposits in the statement of net assets.

**Cash at bank**

Cash at bank comprises cash in hand and other short-term highly liquid investments with original maturities of three months or less. Cash at bank is measured at fair value.

**Reserves**

Reserve accounts comprise particular amounts of designated income and expenses as set out in the rules of the fund and are recognised in the period in which such income and expenses accrue to the fund.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**For the period ended 31 March 2016**

**PRINCIPAL ACCOUNTING POLICIES**

**Transfers to and from the Fund**

Section 14 transfers to or from the Fund are recognised on the date of approval of transfer of business by the Financial Services Board, as contained in the approval certificate from the Registrar. These are measured at the values as per the section 14 application or the value of the transfer at effective date of transfer adjusted for investment return or late payment interest as guided by the application.

**Accounts receivable**

Accounts receivable are financial assets measured initially at fair value and subsequently measured at amortised cost, using the effective interest method, less allowance for impairment.

**Accounts payable**

Accounts payable are financial liabilities measured initially at fair value, net of transaction cost that are directly attributable to the liability and subsequently measured at amortised cost using the effective interest rate method.

**Impairment**

**Financial assets carried at amortised cost**

The fund assesses at each statement of assets and funds date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The fund first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the fund determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivables or held to maturity investments carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flow (excluding future credit losses that have been incurred) discounted at the financial assets original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of changes in net assets and funds.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improved credit rating), the previously recognised impairment loss is reversed in the statement of changes in net assets and funds.

**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. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of net assets and funds date, as determined by the judgment of the board of trustees of the Fund.

**Contingent liabilities**

A contingent liability is not recognised in the statement of net assets and funds, but disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**For the period ended 31 March 2016**

**PRINCIPAL ACCOUNTING POLICIES**

**Contingent assets**

A contingent asset is not recognised in the statement of net assets and funds, but disclosed in the notes to the financial statements when an inflow of economic benefits is probable.

**Contributions**

Contributions are measured at the fair value of the consideration receivable. Contributions are accrued and recognised as income in accordance with actuarial recommendations and the rules of the Fund. Any contributions outstanding at the end of the reporting period are recognised as a current asset. Any contributions received in advance at the end of the reporting period are recognised as a current liability.

**Interest charged on late payment of Contributions**

Interest on late payment of contributions is accounted for in the statement of changes in net assets and funds using the effective interest rate method.

**Benefits**

Benefits payable and pensions are measured in terms of the rules of the fund.

Benefit payments and monthly pension payments are recognised as an expense when they are due and payable in terms of the rules of the fund. Any benefits not paid at the end of the reporting period are recognised as a current liability - benefits payable.

**Dividend Income, Interest and rentals**

- \* Interest income is accounted for in the statement of changes in net assets and funds using the effective interest rate method.
- \* Dividends are recognised in the statement of changes in net assets and funds when entitlement to revenue is established - this is the last date to trade for equity securities.
- \* Rental income is recognised on a straight-line basis over the lease term.
- \* Gains and losses arising from changes in the fair value of financial assets are presented in the statement of changes in net assets and funds in the period in which they arise.
- \* Expenses in respect of the management of investments are recognised as the service is rendered.
- \* All income derived from script lending is included in the statement of changes in net assets and funds.

**Administration expenses**

An expense is recognised if it is probable that any future economic benefit associated with the item will flow from the fund and the item has a cost or value that can be reliably measured.

Expenses incurred in the administration of retirement funds are recognised in the statement of changes in net assets and funds in the reporting period to which they relate.

In the event that an expense has not been paid at the end of the reporting period the liability will be reflected in the accounts payable note. If the expense was paid in advance or overpayment occurred, the applicable amount will be disclosed under the accounts receivable note.

**Accounting policies, changing in accounting estimates and errors**

The fund applies adjustments arising from changes in accounting policies and errors prospectively. The adjustment relating to a change in the accounting policy or error is therefore recognised in the current and future periods affected by the change.

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**For the period ended 31 March 2016**

**PRINCIPAL ACCOUNTING POLICIES**

**Comparatives**

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

**Related parties**

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

If there have been transactions between related parties, the fund shall disclose the nature of the related party relationship as well as the following information for each related party relationship (if applicable):

- \* The amount of the transactions;
- \* The amount of outstanding balances,
- \* Their terms and conditions, including whether they are secured and the nature of the consideration to be provided in the settlement;
- \* Details of guarantees given or received;
- \* Provision for doubtful debts related to the amount of outstanding balances; and
- \* The expense recognised during the period in respect of bad or doubtful debts due from related parties.

**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 (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
For the period ended 31 March 2016

1	Plant and equipment	A	B	C	D	E	A+B+C+D+E
1.1	Current period	Plant	Computer equipment & software	Office equipment	Furniture and fittings	Land and buildings	Total
		R	R	R	R	R	R
<b>Gross carrying amount</b>							
	At beginning of period	-	-	-	-	7 451 758,16	7 451 758,16
	Additions	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-
	Revaluation reserve (note 6)	-	-	-	-	-	-
	Other movements	-	-	-	-	( 380 758,16 )	( 380 758,16 )
	At end of period	-	-	-	-	7 071 000,00	7 071 000,00
<b>Accumulated depreciation and impairment</b>							
	At beginning of period	-	-	-	-	-	-
	Depreciation charges	-	-	-	-	-	-
	Accumulated depreciation on disposals	-	-	-	-	-	-
	Impairment	-	-	-	-	-	-
	Other movements	-	-	-	-	-	-
	Net carrying amount at end of period	-	-	-	-	7 071 000,00	7 071 000,00

The land and buildings comprise an office block situated on Remainder of Erf 3774, Westville. They were revalued by an independent valuator. The fair value was determined directly by reference to observable prices of similar properties.

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
For the period ended 31 March 2016

1 Plant and equipment - continued												
1.2 Previous period		A Plant		B Computer equipment and software		C Office equipment		D Furniture and fittings		E Land & buildings		A+B+C+D+E Total
		R		R		R		R		R		R
Gross carrying amount												
At beginning of period		-		-		-		-		7 192 488,16		7 192 488,16
Additions		-		-		-		-		-		-
Disposals		-		-		-		-		-		-
Revaluation reserve (note 6)		-		-		-		-		-		-
Other movements		-		-		-		-		259 270,00		259 270,00
At end of period		-		-		-		-		7 451 758,16		7 451 758,16
Accumulated depreciation and impairment												
At beginning of period		-		-		-		-		-		-
Depreciation charges		-		-		-		-		-		-
Accumulated depreciation on disposals		-		-		-		-		-		-
Impairment		-		-		-		-		-		-
Other movements		-		-		-		-		-		-
Net carrying amount at end of period		-		-		-		-		7 451 758,16		7 451 758,16

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
For the period ended 31 March 2016

2 Investments  
2.1 Investment summary

	Local		Foreign		Total		Total		Fair value		Amortised cost		Categorised per	
					Mar 2016		Mar 2015		Current period		Current period		Regulatory Framework	
	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Cash	142 828 943,49	-	-	-	142 828 943,49	92 818 554,02	142 828 943,49	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Instruments including Islamic debt instruments	581 696 013,89	-	-	-	581 696 013,89	595 539 990,20	581 696 013,89	-	-	-	-	-	-	-
Investment properties and Owner occupied properties*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equities (including demutualisation shares)	1 743 340 592,41	-	-	-	1 743 340 592,41	1 791 489 199,48	1 743 340 592,41	-	-	-	-	-	-	-
Insurance policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collective investment schemes	314 152 834,84	1 011 737 687,68	-	-	1 325 890 522,52	1 077 901 476,80	1 325 890 522,52	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Private equity funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in participating employer(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative Market Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	154 351 015,13	-	-	-	-	-	-	-	-
<b>Total Investments</b>	<b>2 782 018 384,63</b>	<b>1 011 737 687,68</b>	<b>-</b>	<b>-</b>	<b>3 793 756 072,11</b>	<b>3 712 100 235,63</b>	<b>3 793 756 072,11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
For the period ended 31 March 2016

2 Investments - continued

2.2 Investments in participating employer/s

	A		B		C		D		E		A+B-C+D+/-E	
	At beginning of period		Additions		Repaid/ Disposals		Interest capitalised		Other adjustments		At end of period	
	R		R		R		R		R		R	
Cash	-		-		-		-		-		-	
Commodities	-		-		-		-		-		-	
Housing Loans	-		-		-		-		-		-	
Debt Instruments including Islamic debt	-		-		-		-		-		-	
Equities	-		-		-		-		-		-	
Investment properties and Owner Occupied Properties	-		-		-		-		-		-	
Hedge Funds	-		-		-		-		-		-	
Private equity Funds	-		-		-		-		-		-	
Other	-		-		-		-		-		-	
<b>TOTAL</b>	-		-		-		-		-		-	

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
For the period ended 31 March 2016**

## 2 Investments - continued

### 2.3 Investment properties and Owner Occupied Investments

### 2.3.1 Current Period

[illegible]

## For the period ended 31 March 2016

### 2.3.2 Previous Period

[illegible]

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
For the period ended 31 March 2016

	A		B		C		D		E		A+B+C+D+E
	At beginning of period		Granted		Repaid		Interest capitalised		Other adjustments		
	R		R		R		R		R		R
3 Housing loan facilities											
3.1 Housing loans											
Loans granted in terms of the rules of the fund and section 19(5) of the Pension Funds Act											
TOTAL	-		-		-		-		-		-

3.2 Housing loan guarantees

- The fund has granted guarantees to Nedbank, First National, Standard and Ithala Banks for loans granted to 477 members of the fund. The guarantees amounted to R8 795 400.45.
- The amount of the guarantee may not exceed 50% of the benefit that a member would receive in terms of the rules of the fund and Section 19(5) of the Pension Funds Act if he or she had to terminate membership to the fund voluntarily.

4 Accounts receivable

	Mar 2016	Mar 2015
	R	R
Annuitiy refunds	24 827,39	21 072,80
Medical board fees	11 638,80	13 692,80
Late payment interest on contributions	1 298,28	13 655,49
Prepaid expenses	130 636,42	145 013,44
Sundry debtors	564 831,81	19 812,63
Refunds of pension over-payments	63 946,49	303 928,66
Pensionable service debtors	-	205,81
<b>TOTAL</b>	<b>797 179,19</b>	<b>517 281,43</b>

## 5 Transfers from other funds/ Transfers receivable

	A	B	C	D	E+G+C-D
	Applied for not yet approved (contingency)		Return on transfers		Assets transferred
	R	R	R	R	R
	At beginning of period		Transfers approved		At end of period
	R	R	R	R	R
Total transfers In terms of section 14*	-	-	-	-	-
Total transfers in terms of section 15B/ 15E/ 15F*	-	-	-	-	-
Individual transfers	-	-	-	-	-
Total Prospective approvals in terms of section 14*	-	-	-	-	-
<b>Total!</b>	-	-	-	-	-
Transfers approved (B)	-	-	-	-	-
Return on transfers (C)	-	-	-	-	-
<b>Statement of changes in net assets and funds</b>	-	-	-	-	-



**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**For the period ended 31 March 2016**

6		Revaluation reserve - Property, plant and equipment		Mar 2016		Mar 2015															
		R		R		R															
At beginning of period		-		-		-															
Revaluation		-		-		-															
Impairments		-		-		-															
Transfer to statement of changes in net assets and funds		-		-		-															
At end of period		-		-		-															
7		Transfers to other funds/ Transfers payable		A		B		C		D		A+B+C-D									
		Effective date		No. of members		Applied for not yet approved (contingency)		At beginning of period		Transfers approved		Return on transfers		Assets transferred		At end of period					
						R		R		R		R		R		R					
Total transfers in terms of section 14*																					
KZNJMPF								10		-		1 424 575,48		3 630 069,93		-44 408,24		4 684 318,06		325 921,12	
NJMPF(S)								18		-		437 473,67		11 565 265,53		180 149,28		10 290 636,28		1 892 252,20	
Other								76		-		12 941 713,01		38 804 927,48		132 213,43		44 627 700,17		7 251 153,75	
Transfers in terms of section 15B/15E/15F								-		-		-		-		-		-		-	
Individual transfers								-		-		-		-		-		-		-	
Total Prospective approvals in terms of section 14*								-		-		-		-		-		-		-	
Total								104		-		14 803 762,16		54 000 262,94		267 954,47		59 802 652,50		9 469 327,07	
Transfers approved (B)								54 000 262,94													
Return on transfers (C)								267 954,47													
Statement of Changes in Net Assets and Funds								54 268 217,41													

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
For the period ended 31 March 2016

8 Benefits  
8.1 Benefits – current members

	A At beginning of period	B Benefits for current period	C Return allocated	D Payments	E Transferred to unclaimed benefits	A+B+C-D-E At end of period
	R	R	R	R	R	R
Monthly pensions	-	144 098 464,51	-	144 098 464,51	-	-
Lump sums on retirements						
Full benefit	8 805 186,56	20 131 471,88	435 650,80	24 128 007,17	(459 400,80)	5 703 701,87
Pensions commuted	-	-	-	-	-	-
Lump sums before retirement						
Disability benefits	-	-	-	-	-	-
Death benefits	8 517 146,19	10 255 386,70	1 089 165,93	11 573 353,73	1 244 660,02	7 043 665,07
Withdrawal benefits	12 042 082,35	21 881 283,19	881 026,90	26 031 671,67	(477 463,11)	9 230 185,88
Retrenchment benefits	-	-	-	-	-	-
Minimum benefit payments made in terms of section 15	-	-	-	-	-	-
Defaults – housing loan facilities	-	1 192 038,25	-	1 192 038,25	-	-
Divorce payments	89 215,38	2 005 528,03	-	2 094 743,41	0,00	-
Other	-	(474 068,72)	-	(474 068,72)	-	-
<b>Total (R 1)</b>	<b>29 453 628,48</b>	<b>199 090 103,84</b>	<b>2 385 845,63</b>	<b>208 844 210,02</b>	<b>307 796,11</b>	<b>21 977 572,82</b>
Benefits for current period (B)	199 090 103,84					
Return allocated (C)	2 385 845,63					
<b>Statement of changes in net assets and funds</b>	<b>201 475 949,47</b>					

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
For the period ended 31 March 2016

8.2 Benefits in terms of surplus apportionment

	A	B	C	D	E	A+B+C-D-E
	At beginning of period	Surplus allocated	Return allocated	Payments	Transferred to Unclaimed Benefits	At end of period
	R	R	R	R	R	R
Enhancements to pensioners	-	-	-	-	-	-
Enhancements to former members	-	-	-	-	-	-
<b>Total benefits (8.2)</b>	-	-	-	-	-	-
Surplus allocated (8)	-					
Return allocated (C)	-					
<b>Statement of changes in net assets and funds</b>	-					
<b>Total benefits (8.1 + 8.2)</b>	29 453 829,48	199 090 103,84	2 385 845,63	208 644 210,02	307 796,11	21 977 572,82

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
For the period ended 31 March 2016

**9 Unclaimed benefits**

	Mar 2016 R	Mar 2015 R
At beginning of period	13 747 751,35	17 248 121,49
Transferred from benefits payable	7 504 475,94	3 766 474,45
Adjustments	-	-
Investment income allocated	1 100 803,51	-
Less:	(8 294 473,04)	(7 266 844,59)
Tracing expenses	(3 010,30)	256,49
Administration expenses	-	-
Other expenses	-	-
Benefits paid	8 297 483,34	7 266 588,10
Transferred to unclaimed benefits fund	-	-
<b>Balance at end of period</b>	<b>14 058 557,76</b>	<b>13 747 751,35</b>
<b>Summarised as follows:</b>		
Unclaimed Benefits	2 001 527,09	
Unpaid Benefits	12 072 851,23	
Tracing Fee	(15 820,56)	
	<b>14 058 557,76</b>	

**10 Accounts payable**

	Mar 2016 R	Mar 2015 R
Actuary's fees	-	31 635,00
Contributions refundable	-	-
Contributions in advance	-	929 274,06
Pensions and tax payable	57 112 433,91	45 410 188,92
Sundry creditors	1 423 857,06	1 928 682,82
Unpaid pensions	1 889 775,91	1 716 634,53
	<b>60 426 066,88</b>	<b>50 016 415,33</b>

**11 Retirement Fund Taxation (if applicable)**  
(RFT abolished from 1 March 2007)

	Mar 2016 R	Mar 2015 R
Taxable income	-	-
Less: Formulae reduction	-	-
Retirement fund taxable amount	-	-
Retirement fund taxation @ relevant rate	-	-
Adjustments	-	-
Retirement fund taxation (as per statement of changes in net assets and funds)	-	-
At beginning of period	-	-
Retirement fund taxation	-	-
Penalties and interest	-	-
Other adjustments	-	-
Retirement fund taxation paid	-	-
<b>At end of period</b>	<b>-</b>	<b>-</b>

## For the period ended 31 March 2018

12	Contributions	A	B	C	D	A+B+C+D
		At beginning of period	Towards retirement	Towards re-insurance & expenses	Contributions received	At end of period
		R	R	R	R	R
	Member contributions - received and accrued	1,129,774.55	21,181,807.68	-	21,221,401.25	1,089,980.96
	Employer contributions - received and accrued	2,964,851.29	56,873,856.23	-	60,343,135.25	-504,428.73
	Additional contribution in respect of actuarial shortfall	2,866,794.12	52,440,952.82	-	52,541,928.55	2,765,818.19
	Additional voluntary contributions – employer	-	-	-	-	-
	Additional voluntary contributions – members	-	-	-	-	-
	Other (Excessive Increases)	3,560,007.83	2,829,913.48	-	5,269,850.21	1,120,071.10
	<b>Total</b>	<b>10,521,427.79</b>	<b>133,326,328.99</b>	<b>-</b>	<b>139,376,315.26</b>	<b>4,471,441.52</b>
	Towards retirement	133,326,328.99				
	Toward re-insurance and expenses					
	<b>Statement of changes in net assets and funds</b>	<b>133,326,328.99</b>				

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
For the period ended 31 March 2016

<b>13</b>	<b>Net Investment income</b>	<b>Mar 2016</b>	<b>Mar 2015</b>
		<b>R</b>	<b>R</b>
Income from investments		152 587 846,37	138 850 049,25
Dividends		85 641 932,45	80 223 551,02
Interest		66 729 688,02	58 408 192,75
Rentals		216 225,90	218 305,48
Collective Investment schemes distribution		-	-
Income from insurance policies		-	-
Interest on late payment of contributions		212 917,50	83 294,89
Interest levied on surplus improperly utilised		-	-
Adjustment to fair value		77 780 588,91	363 112 207,88
Profit/loss on disposal of investments		531 450 955,15	134 387 082,45
Investments written up/down		-453 670 366,24	228 725 125,43
Less: Expenses incurred in managing investments		(16 291 687,39)	(15 057 316,03)
Less: Interest paid on borrowings		-	-
<b>Total</b>		<b>214 289 665,39</b>	<b>486 988 235,99</b>

<b>13.1</b>	<b>Other Income</b>	<b>Mar 2016</b>	<b>Mar 2015</b>
		<b>R</b>	<b>R</b>
Bad debts recovered		-	-
Other		-	-
		-	-

<b>14</b>	<b>Administration expenses</b>	<b>Notes</b>	<b>Mar 2016</b>	<b>Mar 2015</b>
			<b>R</b>	<b>R</b>
Actuarial fees			928 504,92	976 327,34
Administration fees			523 903,98	448 310,17
Audit fees				
Audit services			389 997,36	361 508,63
Expenses			-	-
Other			-	-
Bad debts written off			-	194 854,40
Consultancy fees			397 503,58	386 511,27
Depreciation - at cost			-	-
Depreciation - at revaluation			-	-
Fidelity Insurance			140 666,67	136 500,01
Levies			115 927,36	120 282,40
Member communication			344 037,26	158 016,24
Office expenses			246 408,49	238 783,16
Operating lease payments			-	-
Penalties			-	-
Principal officer expenses	14,3		401 187,23	419 905,37
Project costs			81 907,07	-
Staff expenses	14,2		2 055 082,54	1 771 429,71
Secretarial fees			-	-
Board of Fund expenses	14,1		790 461,67	647 380,12
Less: Amount allocated to unclaimed benefits	9		-	-
<b>Total</b>			<b>6 415 598,13</b>	<b>5 859 908,82</b>

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
For the period ended 31 March 2016

**14 Administration expenses - continued**

**14.1 Board of Fund expenses**

	<b>Mar 2016</b>	<b>Mar 2015</b>
	<b>R</b>	<b>R</b>
Remuneration	-	-
Meeting allowances	479 623,30	426 572,52
Expenses	310 838,37	220 807,60
Other payments	-	-
<b>Total</b>	<b>790 461,67</b>	<b>647 380,12</b>

**14.2 Staff expenses**

	<b>Mar 2016</b>	<b>Mar 2015</b>
	<b>R</b>	<b>R</b>
Remuneration	1 660 753,87	1 425 329,83
Contributions to retirement fund	310 551,48	274 722,86
Training expenses	24 545,14	20 212,96
Other payments	59 242,05	51 164,26
<b>Total</b>	<b>2 055 092,54</b>	<b>1 771 429,71</b>

**14.3 Principal Officer expenses**

	<b>Mar 2016</b>	<b>Mar 2015</b>
	<b>R</b>	<b>R</b>
Fees as Board member	-	-
Remuneration	261 530,14	277 123,62
Allowances	-	-
Contributions to retirement fund	47 075,42	49 882,26
Bonus	92 581,67	92 899,49
Other payments	-	-
<b>Total</b>	<b>401 187,23</b>	<b>419 905,37</b>

**15 Prior period adjustment**

	<b>Mar 2016</b>	<b>Mar 2015</b>
	<b>R</b>	<b>R</b>
NII	-	-
	-	-

**NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
For the period ended 31 March 2016

**16 Financial liabilities and provisions**

**16.1 Financial liabilities**

	Mar 2016 R	Mar 2015 R
Nil	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**16.2 Provisions**

	Mar 2016 R	Mar 2015 R
Actuary's fees	812 677,50	775 200,00
Accumulated leave	229 279,75	255 841,37
Staff bonus	362 054,11	442 448,09
Audit fees	352 598,74	348 435,55
Consulting fees	44 217,75	38 703,00
<b>TOTAL</b>	<b>1 800 827,85</b>	<b>1 860 628,01</b>

**17 Risk management policies**

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

• **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 Board and 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.

• **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 on-going basis with the result that the funds exposure to bad debts is not significant. An appropriate level of provision is maintained.

• **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 obligations of all parties are clearly set out.

• **Cash flow risk**

Cash flow risk is the risk that future cash flows associated with monetary financial instruments will fluctuate. The fund is exposed to cash flow risk in respect of variable rate debt instruments into which it is invested. The Board of Fund monitors cash flows by using monthly cash flow projections.

• **Liquidity risk**

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

• **Market risk**

The key components of market risk are: price risk, interest rate risk and undiversifiable (systemic) risk.



• **Price risk**

Price risk is the risk that the value and/or future cash flow of a financial instrument will fluctuate as a result of changes in market prices.

• **Interest rate risk**

Interest rate risk is the risk that the value and/or future cash flows of financial instruments will fluctuate as a result of changes in interest rates. The Board of Fund monitors exposures to interest rate risk by using monthly cash flow projections.

• **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 funds exposure to currency risk is mainly in respect of foreign Investments made on behalf of members of the fund for the purpose of seeking desirable international diversification of Investments. The Board of Fund monitors this aspect of the funds investments and limits it to SARB limits of total assets.

• **Investments**

Investments in equities are valued at fair value and therefore susceptible to market fluctuations. Investments are managed with the aim of maximising the funds 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 a 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**

Principal officer fees

During the current financial period, fees amounting to R419 905 were paid to the Principal Officer.

Board of fund

The Board members of the Fund make contributions to the fund, and receive benefits from the fund. The Board

**20 Operating lease commitments**

	Mar 2016 R	Mar 2015 R
Future minimum operating lease payments		
Within one year	-	-
Between one and five years	-	-
After five years	-	-
<b>TOTAL</b>	-	-

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
For the period ended 31 March 2016

21 Surplus and reserve accounts

			A+B+C+D+E+F	A		B	C	D	E	F
	Member/ pensioner surplus account	Employer surplus account	Reserve Accounts	Employer protection reserve	Solvency reserve	Investment reserve	Risk reserve	Pension er reserve	Other reserves	
	R	R	R	R	R	R	R	R	R	R
At beginning of period	-	-	801 656 322,77	-	381 498 882,55	150 954 086,00	88 103 534,22	-	-	-
Employer surplus apportionment	-	-	-	-	-	-	-	-	-	-
Member surplus apportionment	-	-	-	-	-	-	-	-	-	-
Benefit enhancement – current members	-	-	-	-	-	-	-	-	-	-
Contributions received and accrued	-	-	-	-	-	-	-	-	-	-
Contributions transferred from reserve accounts	-	-	-	-	-	-	-	-	-	-
Contributions transferred from surplus accounts	-	-	-	-	-	-	-	-	-	-
Surplus improperly utilised	-	-	-	-	-	-	-	-	-	-
Reinsurance proceeds	-	-	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-	-	-
Allocated to unclaimed benefits	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Less:	-	-	-	-	-	-	-	-	-	-
Re-insurance premiums	-	-	-	-	-	-	-	-	-	-
Administration expenses	-	-	-	-	-	-	-	-	-	-
Retirement fund taxation	-	-	-	-	-	-	-	-	-	-
Net income before transfers and benefits	-	-	-	-	381 498 882,55	150 954 086,00	88 103 534,22	-	-	-
Transfers and benefits	-	-	-	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-	-
Net income after transfers and benefits	-	-	801 656 322,77	-	381 498 882,55	150 954 086,00	88 103 534,22	-	-	-
Transfer between reserve accounts	-	-	( 171 857 665,70 )	( 17 481 522,79 )	( 150 954 086,00 )	( 3 442 076,81 )	-	-	-	-
Net investment return	-	-	-	-	-	-	-	-	-	-
Benefit enhancement – pensioners	-	-	-	-	-	-	-	-	-	-
Contribution holiday – after surplus apportionment	-	-	-	-	-	-	-	-	-	-
Contribution holiday – before surplus apportionment	-	-	-	-	-	-	-	-	-	-
At end of period	-	-	429 848 627,07	-	384 037 189,76	-	86 661 457,31	-	-	-

22 Surplus improperly utilised receivable

	2016 R	2015 R
Opening balance	-	-
Amount payable by employer	-	-
Interest raised	-	-
Less:		
Payments received	-	-
Settlement from employer surplus account	-	-
Other	-	-
Total amount receivable	-	-
Disclosed as:		
Non-current portion	-	-
Current portion	-	-

23 Amounts to be allocated

	2016 R	2015 R
Surplus to be apportioned	-	-
Investment return to be allocated	-	-
Other	-	-
Total amounts to be allocated	-	-

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

**Registration number: 12/8/6676**

**For the year ended 31 March 2016**

**SCHEDULE HB**

**REPORT OF THE VALUATOR**

**Particulars of financial condition of the fund**

*The statement below is based on the 31 March 2015 statutory actuarial valuation report that was accepted by the Financial Services Board on 20 June 2016.*

1. Net assets available for benefits <sup>(a)</sup>: **R3 650 776 000**
2. The actuarial value of the net assets available for benefits, for the purposes of comparison with the actuarial present value of promised retirement benefits: **R3 650 776 000**
3. The actuarial present value of promised retirement benefits <sup>(b)</sup>, split into vested <sup>(c)</sup> and non-vested benefits at: **R3 369 772 000 – all vested**
4. Contingency reserve account allocations that were recommended in the actuarial valuation report:  

<b>Risk Reserve:</b>	<b>R65 661 000</b>
<b>Solvency Reserve Pensioners (balance of Memorandum Account):</b>	<b>R364 037 000</b>
5. Details of the valuation method adopted (including that in respect of any contingency reserve) and details of any changes since the previous summary of report:

**The liabilities were valued on an attained age method of valuation on the following basis:**

Pre-retirement discount rate: 10%

Salary increases: 7% plus promotional scale

Post-retirement discount rate: 5%

Mortality pre retirement: Fund specific

Mortality post retirement: PA(90) table (rated up 1 year for males), and allowing for an improvement in mortality of 0,5% p.a. from 2007 onwards (with an overall improvement of 10% after 20 years)

**The Risk Reserve is maintained in order to give some protection against fluctuations in mortality and morbidity experience of the members, and against the longevity risk of pensioners. Using the formulae set out in paragraph 4.4 of Circular PF117 a Risk Reserve of R 65.7 million is held.**

**The Memorandum Account was calculated as the accumulated value of the assets attributable to pensioners. The surplus of R 364 037 000 in the Memorandum Account for pensioners is retained as a contingency reserve (Solvency Reserve) to provide for minimum pension increases as prescribed by legislation and incorporated in the Fund's Regulations.**



6. Details of the actuarial basis adopted (including that in respect of any contingency reserve) and details of any changes since the previous summary of report:

See paragraph 5.

7. Any other particulars deemed necessary by the valuator for the purposes of this summary:

The Employer and members are paying a surcharge of 17.5% of pensionable salaries for a period of 8 years, to meet the deficit in respect of contributory member liabilities of R 148.694 million. Excluding the surcharge, the "basic" contribution payable to the Fund by the Employer has been increased to 18.37% with effect from 1 July 2012.

The surplus of R 364.037 million in the Memorandum Account for pensioners is retained as a contingency reserve to provide for minimum pension increases as prescribed by legislation and incorporated in the Fund's Regulations.

8. The Memorandum Account in respect of pensioners was fully funded. The Fund's liabilities for the contributory members exceeded the value of the assets and the surcharge of 17.5% of pensionable salaries payable for 8 years is expected to return the funding level of the Fund to 100%. Subject to this, the Fund was in a sound financial condition as at 31 March 2015.

Prepared by me:



**ARTHUR REUBEN ELS (FIA FASSA CFP® CFA CERA)**

VALUATOR

In my capacity as an actuary of ARGEN Actuarial Solutions

Primary professional regulator: Actuarial Society of South Africa

26 August 2016

## Notes

For the purposes of this summary of the valuation report:

- (a) Net assets available for benefits are the fair value of the assets of the fund less liabilities other than the actuarial present value of promised retirement benefits.
- (b) The actuarial present value of promised retirement benefits means:
  - i. The actuarial liabilities in respect of past service benefits of active members, with due allowance for future salary increases where these affect the benefits in respect of past service, and with due allowance for increases in pension and deferred pensions at rates consistent with the pension increase policy of the fund;
  - ii. The actuarial liabilities in respect of pensions in course of payment and deferred pensions, including any contingent annuity payable on the death of a pensioner, with due allowance for increases at rates consistent with the pension increase policy of the fund; and
  - iii. Any other accrued liability.
- (c) Vested benefits are benefits, the right to which, under the conditions of the fund, are not conditional upon continued employment.

A handwritten signature in black ink, appearing to be 'J.R.', located in the bottom right corner of the page.

# **Report of the auditor-general to the Board of Trustees and the Registrar of Pension funds on the factual findings of the Natal Joint Municipal Pension Fund- Retirement**

I have performed the procedures agreed with the Registrar of Pension Funds (the "Registrar") and set out below with respect to the audited financial statements ("annual financial statements") and other information in the general ledger and management information comprising the accounting records of the Natal Joint Municipal Pension Fund (Retirement) (the "Fund") for the year ended 31 March 2016. My engagement was undertaken in accordance with the International Standard on Related Services (ISRS) 4400 *Engagements to perform agreed-upon procedures regarding financial information*. Our procedures were performed solely to assist the Registrar in evaluating whether any instances of non-compliance with the requirements of the relevant sections of the Pension Funds Act of South Africa (the Act), regulations and rules of the Fund were identified. The responsibility for determining the adequacy or otherwise of the procedures agreed to be performed, is that of the Registrar.

## **Procedures and findings**

My procedures performed are set out in the numbered paragraphs in the attached table, which forms part of our report, together with our findings thereon. Unless otherwise indicated, all balances, lists, schedules etc. referred to in the table relate to the accounts/balances reflected in the annual financial statements of the Fund for the year ended 31 March 2016.

Because the procedures do not constitute an audit, a review or other assurance engagement performed in accordance with the IAASB's International Standards I do not express any assurance. Had I performed additional procedures, or had I performed an audit, a review, or other assurance engagement, other matters might have come to my attention that would have been reported.

## **Restriction on use and distribution**

My report is solely for the purpose set out in the first paragraph of this report and for the information of the Registrar and accordingly may not be suitable for any other purpose and distributed to other parties. This report relates only to the information specified and does not extend to the annual financial statements of the Fund taken as a whole.

*Auditor-General*

Pietermaritzburg

30 August 2016



*Auditing to build public confidence*

### Procedures and Findings

	Procedures	Findings
	<b>Statement of Net Assets and Funds</b>	
<b>1</b>	<b>Investments</b>	
1.1	Inspect the list of investment balances reflected in the general ledger of the Fund as at 31 March 2016 for any investments in accordance with the terms of section 19(4) of the Act.	Not applicable. There are no investments in the participating employer.
1.1.1	Agree details of the written confirmations obtained from the investment managers/insurers to the investment balances reflected in the general ledger.	Not Applicable.
1.1.2	Where investments held in the participating employer exceed 5% of the total assets as reflected in the financial statements, inspect the appropriate approval of the Registrar.	Not Applicable.
1.2	Obtain the signed investment policy statement and, where applicable, the portfolio management agreement/investment mandate between the Fund and the investment administrators, and perform the following procedures on a sample of 10 mandates (comprising the 3 largest by value of investments at year end and 7 other randomly selected mandates):	Obtained the signed investment policy statement and, where applicable, the portfolio management agreement/investment mandate between the Fund and the investment administrators, and performed the following procedures:
1.2.1	Inspect whether the underlying investments are in compliance with the signed investment policy statement and, where applicable, the portfolio management agreement/investment mandate.	The underlying investments were in compliance with the signed investment policy statement and, where applicable, the portfolio management agreement/investment mandate.

	<b>Procedures</b>	<b>Findings</b>
1.2.2	Inspect whether the Investment mandate and the Investment policy statement provide for securities lending transactions and investments in derivatives as prescribed.	The investment mandate and the investment policy statement did provide for securities lending transactions and investments in hedge funds, private equity funds and derivatives, as prescribed.
1.2.3	Inspect whether the collateral and counterparty requirements as prescribed are complied with.	Not applicable. Investment mandates and investment policy do not prescribe collateral and counterparty requirements.
1.2.4	For segregated portfolios, confirm directly with the investment administrators: (a) whether scrip lending took place during the year and, if so, (b) whether there was collateral provided by the counterparties for any scrip lending activities and, if so, (c) the percentage exposure covered by the collateral. Report on the amount for a).	The direct confirmations received from the investment administrators indicated that: (a) scrip lending took place during the year. Scrip lending amounted to R 518,339,368 as at 31 March 2016, and (b) collateral was provided by the counterparties for scrip lending activities; and (c) collateral provided covered 138% of the exposure.
<b>2</b>	<b>Member individual accounts (defined contributions funds as well as defined contribution section of hybrid funds)</b>	<b>Not applicable. Natal Joint Municipal Pension Fund (Retirement) is Defined benefit fund.</b>
2.1	Obtain a list of member individual accounts as reflected on the Statement of Net Assets and Funds as at 31 March 2016.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2	Select a random sample of the lesser of 25 or 10% of the number of members from the list of members and perform the following procedures:	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.1	Compare the member and employer contributions received and allocated for the members selected as reflected on the administrator's system, to information supplied by the participating employers for those members selected, for a randomly selected period of three months (including the last month of the year under review).	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.2	Compare the member and employer contribution rates for the members selected as reflected on the administrator's system, to the rules of the Fund, for a randomly selected period of three months (including the last month of the year under review).	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.3	In respect of utilised Investment products, for the three months selected in 2.2.1 and 2.2.2, calculate the conversion of the contributions at the unit price per the administration system on the dates that the contributions were invested and compare the units recalculated to the administration system units for the selected members. Inspect that the units were added to the existing units for that member.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.



	<b>Procedures</b>	<b>Findings</b>
2.2.4	In respect of unitised investment products, calculate the conversion of units at the end of the year, at the year-end unit price per the administration system and agree the calculated amount to the member's fund credit amount recorded in each member's record.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.5	In respect of unitised investment products, compare the unit price(s) as per investment manager/actuary/other authorised party at the year-end to the unit prices on the administration system used to calculate each member's credits at year-end.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.6	In respect of non-unitised investment products, compare the interim and/or final return allocated to each individual member's account in the administrator's records for the year under review to the return approved in accordance with a resolution of the Board of Fund or the rules of the Fund or approved recommendation by the investment consultant/asset manager/fund valuator.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.3	Obtain a list of members who switched investment portfolios during the year from the Fund/administrator, select a random sample of the lesser of 25 or 10% of members who switched between investment portfolios during the year, and perform the following procedures:	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.3.1	Inspect evidence that the portfolios were switched in accordance with notification of the member's instruction/ investment strategy (including life stage models) of the Fund and within a timeframe as specified in the service level agreement or client mandate between the administrator and the Fund.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.3.2	Inquire as to whether any fees relating to switches were deducted, and if so, inspect evidence of the approval by the Board of Fund and/or in terms of a service level agreement or client mandate.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.4	For investment products obtain the Asset Liability Match (ALM) reconciliation per investment portfolio, excluding the reserve accounts, for member individual accounts from the administrator, and perform the following procedures:	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.4.1	Compare the investments per product on the ALM reconciliation to the investment certificates in total.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.4.2	Compare the member individual accounts on the ALM reconciliation per investment portfolio to the administration system and to the total member individual accounts as disclosed in the Statement of Net Assets and Funds.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.

	<b>Procedures</b>	<b>Findings</b>
2.4.3	Inspect whether the total mismatch (In Rand) for all portfolios was within the range as prescribed by the Registrar.	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
<b>3</b>	<b>Accumulated funds (for defined benefit funds as well as defined benefit sections of hybrid funds)</b>	
3.1	Select a sample of the lesser of 25 or 10% of the number of members from the list of members provided by the administrator and perform the following procedures for each member selected:	
3.1.1	Compare the member contributions received and allocated for the members selected as reflected on the administrator's system, to information supplied by the participating employers for those members selected, for a randomly selected period of three months (including the last month of the year under review).	The member contributions received and allocated for the members selected as reflected on the administrator's system agreed to information supplied by the participating employers for the three months selected: August 2015, November 2015 and March 2016.
<b>4</b>	<b>Surplus apportionment scheme</b>	
4.1	If a surplus apportionment scheme was approved by the Registrar in the current year or if allocation and/or payments to members were made during the year, perform the following procedures:	Not applicable. There was no surplus apportionment scheme approved by the Registrar in the current year nor was there an allocation and/or payments made to members during the year.
4.1.1	<u>Active members:</u> Select a random sample of the lesser of 25 or 10% of number of active members to whom surplus has been apportioned in the approved surplus apportionment scheme and perform the following procedures:	Not applicable. There was no surplus apportionment scheme.
4.1.1.1	Agree the original surplus amount allocated to the selected member to the individual allocation on the member records per the administration system.	Not applicable. There was no surplus apportionment scheme.
4.1.1.2	Inspect whether the calculation of the relevant investment return from surplus apportionment date to date of allocation was in accordance with the requirements of the Act and allocated to the member records in the administration system.	Not applicable. There was no surplus apportionment scheme.
4.1.2	<u>Former members and pensioners:</u> Select a random sample of the lesser of 25 or 10% of number of former members and pensioners as defined by the surplus apportionment scheme from the surplus schedules attached to the approved surplus apportionment scheme and perform the following procedures:	Not applicable. There was no surplus apportionment scheme.

	<b>Procedures</b>	<b>Findings</b>
4.1.2.1	Agree the original surplus amount allocated to the selected member and/or pensioner to the individual allocation on the member records per the administration system.	Not applicable. There was no surplus apportionment scheme.
4.1.2.2	Inspect whether the calculation of the relevant investment return from surplus apportionment date to date of allocation was in accordance with the requirements of the Act and allocated to the member records in the administration system.	Not applicable. There was no surplus apportionment scheme.
4.1.2.3	Agree the total of the amount calculated in 4.1.2.1 and 4.1.2.2 to the surplus benefit paid per selected member and to the applicable amount per the administration system and other authorised supporting documentation.	Not applicable. There was no surplus apportionment scheme.
<b>5</b>	<b>Member and employer surplus accounts</b>	
5.1	Obtain the analysis of the transactions in the member and/or employer surplus account per the annual financial statements, and perform the following procedure:	Not applicable. There are no surplus accounts in the annual financial statements.
5.1.1	Inspect that the transactions are permitted in terms of the registered rules of the Fund and/or the Act.	Not applicable. There are no surplus accounts in the annual financial statements.
<b>6</b>	<b>Reserves</b>	
6.1	Obtain the list of reserves and other related accounts (e.g. pensioner accounts) and the movements per the financial statements and/or in the actuarial valuation, and perform the following procedures:	Obtained the list of reserves and other related accounts (e.g. pensioner accounts) and the movements per the financial statements and/or in the actuarial valuation, and performed the following procedures:
6.1.1	Inspect whether the reserve and other related accounts (e.g. pensioner accounts) held by the Fund and/or reflected in the actuarial valuation are in accordance with the registered rules of the Fund.	The solvency reserve and risk reserve held by the Fund and reflected in the actuarial valuation were in accordance with the registered rules of the Fund.
6.1.2	Inspect that the movements in reserves as disclosed in the annual financial statements are permitted in terms of the registered rules of the Fund and/or the Act.	The movements in the solvency and risk reserve as disclosed in the annual financial statements were permitted in terms of the registered rules of the Fund and/or the Act.
<b>7</b>	<b>Other assets, liabilities and guarantees</b>	
7.1	Obtain the list of housing loans granted to members by the Fund in terms of section 19(5) of the Act as at 31 March 2016, and perform the following procedure:	Not applicable. The fund rules do not make provision for granting of housing loans.
7.1.1	Agree the total housing loans on the above list to the corresponding account in the annual financial statements.	Not applicable. The fund rules do not make provision for granting of housing loans.

	<b>Procedures</b>	<b>Findings</b>
7.2	From the list in 7.1, randomly select a sample of the lesser of 25 or 10% of the number of members' housing loans granted and perform the following procedures:	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.1	Inspect evidence that the value of the housing loan provided does not exceed the amount permitted by the rules and the home loan agreement.	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.2	Inspect evidence that the housing loan has been granted in terms of Section 19(5) (a).	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.3	Inspect evidence that repayments are being made in accordance with the housing loan agreement.	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.4	Inspect the interest charged on the outstanding housing loan and compare the rate used to the prescribed rate.	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.5	If the Fund issued more than 100 housing loans or the total principal debt of all outstanding loans exceeded R500 000, inquire whether the Fund was registered as a credit provider under the National Credit Act, 2005 (the NCA).	Not applicable. The fund rules do not make provision for granting of housing loans.
7.3	Obtain the list of housing loan guarantees and select a sample of the lesser of 25 or 10% of the number of housing loan guarantees and perform the following procedures:	Obtained a list of housing loan guarantees and performed the following procedures:
7.3.1	For the sample selected, determine that each selected housing loan guarantee did not exceed the gross value of the benefit that the member would become entitled to had they withdrawn, as at the year end, in terms of the Act, the loan agreement and/or the rules of the Fund.	The sample of housing loan guarantees selected did not exceed the gross value of the benefit that the member would become entitled to had they withdrawn, as at the end of the period, in terms of the Act, the loan agreement and/or the rules of the Fund.
7.3.2	Inspect evidence that the housing loan guarantee has been granted in terms of Section 19(5) (a).	The housing loan guarantee had been granted in terms of Section 19(5) (a).
7.4	Obtain a list of other loans per the general ledger of the Fund as at 31 March 2016 and perform the following procedure:	Not applicable. No other loans have been granted by the Fund.
7.4.1	Confirm that no loans were granted and/or investments made as prohibited in terms of section 19(6)B.	Not applicable. No other loans have been granted by the Fund.
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>8</b>	<b>Contributions</b>	
8.1	Select a sample of the lesser of 25 or 10% of the number of participating employers or pay points (whichever is the lower) from a list of participating employer/pay-points supplied by the Fund/administrator, select three months and perform the following procedures:	

	Procedures	Findings						
8.1.1	Compare, in total, the contributions received by or on behalf of the Fund to the remittance advices from the participating employer/pay-point.	The contributions received by or on behalf of the Fund agreed to the remittance advice from the participating employer/pay-point. The months selected were August 2015, November 2015 and January 2016.						
8.1.2	Inspect the bank statements 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.	Contributions were deposited with a registered bank in accordance with section 13A of the Act.  The participating employers from the sample selected made payment on time for the three months selected, therefore late payment interest is not applicable.						
8.2	Select a sample of the lesser of 25 or 10% of the number of participating employers or pay points which reflect arrear contributions (whichever is the lower) at year-end from a list supplied by the Fund/administrator and perform the following procedure:							
8.2.1	Inspect the accounting records of the Fund to determine whether amounts disclosed as arrear contributions at year-end have been paid to the Fund within the prescribed period in accordance with the requirements of section 13A of the Act. Where the amounts were received after the prescribed period, report the date of receipt and where they were not received, indicate as such.	<table border="1"> <thead> <tr> <th>Municipality name</th><th>Amount</th><th>Date of receipt</th></tr> </thead> <tbody> <tr> <td>eDumbe Municipality</td><td>19,314</td><td>30/06/2016 and 07/07/2016</td></tr> </tbody> </table>	Municipality name	Amount	Date of receipt	eDumbe Municipality	19,314	30/06/2016 and 07/07/2016
Municipality name	Amount	Date of receipt						
eDumbe Municipality	19,314	30/06/2016 and 07/07/2016						
9	Benefits							
9.1	Obtain a list from the administration system of lump sum benefits reflected as expenses in the Fund's Statement of Changes in Net Assets and Funds for the year under review and perform the following procedure:	Obtained a list from the administration system of lump sum benefits reflected as expenses in the Fund's Statement of Changes in Net Assets and Funds for the year under review and performed the following procedure:						
9.1.1	Compare the list to the respective general ledger benefit expense accounts reconciliation.	The detailed list had been agreed to the respective general ledger benefit expense accounts reconciliation.						
9.2	Select a sample of the lesser of 25 benefits or 10% of the total number of benefits from the list and perform the following procedures:							
9.2.1	Compare the benefit per selected member to the administration system and authorised supporting documentation in accordance with the procedures of the Fund.	The benefit paid agreed to the administration system and authorised supporting documentation in accordance with the procedures of the Fund.						
9.2.2	For death benefits, where a portion of the benefit had been reinsured by the Fund, inspect a bank deposit or an accrual raised for the recovery from the insurer.	Not applicable.						

	Procedures	Findings
9.2.3	<p><u>For a defined benefit fund and hybrid funds with a defined benefit underpin</u> Inspect that the calculation of the benefit payment was done by the actuary in accordance with the requirements of the rules of the Fund and/or the Act.</p> <p><u>For a defined contribution fund</u> Agree the opening fund credit for the member to the opening fund credit report and determine whether contributions were added every month until the date of exit (either by Rand amount or in the case of unitised funds, by units). Agree the balance paid out to the member (inclusive of late payment interest where applicable) to the fund credit report or administration system as at the date of exit.</p>	<p><u>For a defined benefit fund and hybrid funds with a defined benefit underpin</u> The calculation of the benefit payment by the actuary was done in agreement with the requirements of the rules of the Pension Fund Act.</p> <p><u>For a defined contribution fund</u> Not applicable.</p>
9.3	Obtain a list of all benefits not yet paid at year-end, select a sample of the lesser of 25 benefits or 10% of the total number of benefits from the list and perform the following procedure:	Obtained a list of all benefits not yet paid at year-end, and performed the following procedure:
9.3.1	Agree whether the benefits that are older than the period as set out in the Act or a shorter period defined by the Rules are classified as unclaimed benefits.	The benefits that were older than the period as set out in the Act or a shorter period defined by the Rules were classified as unclaimed benefits.
10	Transfers	
10.1	Compare the list of total section 14 transfers to and from the Fund to the corresponding accounts in the general ledger.	The list of total section 14 transfers to and from the Fund agreed to the corresponding account in the general ledger.
10.2	From the list of section 14 transfers paid/received and accrued to and from the Fund throughout the year select a sample of the lesser of 25 or 10% of the number of transfers in and the lesser of 25 or 10% of the number of transfers out, and perform the following procedures:	
10.2.1	<p>Agree the sample of section 14 transfers to and from the Fund to:</p> <p>a) the section 14(1) documentation as approved by the Registrar in respect of each transfer; and/or</p> <p>b) the section 14(8) documentation as prescribed.</p>	<p>The sample of section 14 transfers to and from the Fund agreed to:</p> <p>a) the section 14(1) documentation as approved by the Registrar in respect of each transfer.</p> <p>b) Not applicable.</p>

	<b>Procedures</b>	<b>Findings</b>
10.2.2	Inspect whether the transfers to and from the Fund were received/paid within 60 days of Registrar approval for section 14(1) transfers and 180 days from application date for section 14(8) transfers and whether the growth and investment return had been allocated from the effective date of the transfer to the date of final settlement.	After the 12 month transfer period expired, the registrar was furnished with the final scheme of members transferred. The registrar issued a s14(1)(e) certificate. Inspected the s14(1)(e) certificate.
10.2.3	In respect of unitised funds, select a sample of the lesser of 25 or 10% of the number of members transferred from other funds and recalculate 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 added from the date of receipt to the date of purchase).	Not applicable. Natal Joint Municipal Pension Fund (Retirement) is not a unitised fund.
10.3	<b>Individual transfers</b> Obtain the list of Individual transfers throughout the year ended 31 March 2016, select a sample of the lesser of 25 or 10% of the number of Individual transfers, and perform the following procedures:	Not applicable. There were no Individual transfers throughout the year ended 31 March 2016.
10.3.1	Agree the transfers to the approved recognition of transfer documentation.	Not applicable. There were no individual transfers throughout the year ended 31 March 2016.
10.3.2	<b>For Individual transfers in selected</b> In respect of unitised funds, recalculate 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 added from the date of receipt to the date of purchase).	Not applicable. There were no individual transfers throughout the year ended 31 March 2016.
<b>11</b>	<b>Pensioners paid</b>	
11.1	Obtain a copy of the list of pensioners and amounts paid for the year from the administration system and/or, for outsourced pensioners, confirmation from the insurer and perform the following procedure:	Obtained a copy of the list of pensioners and amounts paid for the year from the administration system and performed the following procedure :
11.1.1	Agree the total pensions paid for the year ended 31 March 2016 to the corresponding account reconciliation to the general ledger balance.	Agreed the total pensions paid for the year ended 31 March 2016 to the corresponding account reconciliation and the general ledger balances.
11.2	Select a sample of the lesser of 25 or 10 % of the number of pensioners paid directly from the fund from the above list and perform the following procedures:	
11.2.1	Inspect the pensioner increases for authorisation by the Board of Fund.	The pensioner increases were authorised by the Board of Fund.
11.2.2	Inspect evidence obtained by the administrator/Fund supporting the fact that the pensioners selected exist.	Inspected the declaration forms which indicated that the pensioners selected existed.

	<b>Procedures</b>	<b>Findings</b>
11.3	Where the Fund has purchased an annuity in the name of the Fund, obtain a written confirmation from the annuity provider summarising movements from opening market value to closing market value and perform the following procedures:	Not applicable. Inspected the Fund's investments listing, the Fund does not have investments in the form of annuities.
11.3.1	Agree the closing market value of the annuity to the annual financial statements.	Not Applicable.
11.3.2	Agree the pensioner payment per the confirmation from the insurer to the pensions paid disclosed in the notes to the annual financial statements.	Not Applicable.
	<b>General</b>	
12.1	Inspect evidence that the Fund's fidelity insurance cover was in place throughout the year ended 31 March 2016 that the Fund's fidelity insurance cover extends after year-end and report the date to which the subsequent fidelity insurance cover extends.	The Fund's fidelity insurance cover was in place throughout the year ended 31 March 2016, the Fund's fidelity insurance cover extended after year-end. The subsequent fidelity insurance cover extended to 29 February 2017.
12.2	Confirm with the Fund's GLA insurer as to whether the GLA policy has lapsed at year ended 31 March 2016.	Not applicable. The Fund did not have a GLA policy.
12.3	Obtain the most recent statutory valuation signed and submitted by the valuator as at 31 March 2016 and perform the following procedures:	
12.3.1	Report the funding status of the Fund per the report (whether the Fund was under-funded or fully funded).	Per the report the Fund was under-funded.
12.3.2	Where the Fund is under-funded, obtain evidence as to whether a scheme, as required in terms of section 18 of the Act in South Africa, has been approved by the Registrar.	A scheme, as required in terms of section 18 of the Act in South Africa, has been approved by the Registrar.



NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)  
SCHEDULE IA - INVESTMENT SCHEDULE  
At 31 March 2018

Investments<sup>1</sup>

	Notes <sup>2</sup>	A Direct Investments	B Non-compliant Collective Investment Schemes	C Non-compliant Insurance Policies	D Derivative positions without residual risk	E Compliant Investments	A+B+C+D+E Y+U+X	V Local	W Foreign	X Foreign Africa	W+X Total Foreign	Total Percentage Exposure	Y Derivative positions with residual risk	Z Reconciling Items between Schedule IB and Schedule F	V+W+X+Y+Z TOTAL as per Regulation 28 (Schedule IB)
		R	Note M1 R	Note M2 R	Note G1 R	R	R	R	R	R	R	%	Note G2 R	R	R
Cash (including cash at bank)	A	202 843 566	0	0	0	0	202 843 566	179 062 203	23 781 363	0	23 781 363	0,62%	0,00	0,00	202 843 566
Commodities	B	46 531 706	0	0	0	0	46 531 706	46 531 706	0	0	0	0,00%	0,00	0,00	46 531 706
Housing Loans		0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Debt Instruments Including Islamic debt Instruments	C	894 501 658	0	0	0	0	894 501 658	893 491 746	0	1 009 912	1 009 912	0,03%	0,00	0,00	894 501 658
Investment Properties and owner occupied properties	D	183 395 609	0	0	0	0	183 395 609	182 314 259	1 081 350	0	1 081 350	0,03%	0,00	0,00	183 395 609
Equities	E	2 504 353 239	0	0	0	0	2 504 353 239	1 542 516 320	961 836 919	0	961 836 919	25,10%	0,00	0,00	2 504 353 239
Derivative Market Instruments	G	0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Investments in participating employer(s)	H	0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Other assets	I	0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Hedge Funds	J	0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Private Equity Funds	K	0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Collective Investment Schemes		0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Insurance Policies:		0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
- Linked Policies		0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
- Non-Linked Policies		0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
- Insurance Policies Ito Reg 28(3)(c) <sup>3</sup>		0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Entities regulated Ito Reg 28(8)(b)(iv)		0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
Investments not disclosed/ data not available for disclosure by entities	M	0	0	0	0	0	0	0	0	0	0	0,00%	0,00	0,00	0
<b>TOTAL INVESTMENTS</b>		<b>3 831 625 778</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3 831 625 778</b>	<b>2 843 916 234</b>	<b>986 699 632</b>	<b>1 009 912</b>	<b>987 709 544</b>	<b>25,78%</b>	<b>n/a</b>	<b>0,00</b>	<b>3 831 625 778</b>

Notes:

- Schedule prepared on a look through basis except for private equity and hedge funds which shows the structure of the investment
- Deferred disclosure is applicable on aggregated direct investments
- Assets which are subject to the grandfathering provision as set out in regulation 28(3)(c)
- The total investments will be equal to Schedule IB Item A

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT ( REF. NO. 12/8/6676/2 )**  
**SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

**A CASH**

Instrument	Fair value R
<b>Local</b>	
Notes, deposits, money market instruments issued by a South African Bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments	179 062 203,26
Notes and coins, any balance or deposit in an account held with a South African bank List issuers/entities which exceeds 5% of total assets	146 648 181,26
A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument List issuers/entities which exceeds 5% of total assets	27 796 847,00
Any positive net balance in a margin account with an exchange List issuers/entities which exceeds 5% of total assets	4 617 175,00
Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets List issuers/entities which exceeds 5% of total assets	0,00
<b>Foreign</b>	
Balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments	23 781 363,00
Any balance or deposit held with a foreign bank List issuers/entities which exceeds 5% of total assets	23 781 363
Any balance or deposit held with an African bank List issuers/entities which exceeds 5% of total assets	
A money market instrument issued by a foreign bank including an Islamic liquidity management financial instrument List issuers/entities which exceeds 5% of total assets	
<b>Total Cash</b>	<b>202 843 566,26</b>

**B COMMODITIES**

Instrument	Local or foreign	Holding number	% Holding	Fair value R
<b>Gold (Including Kruger Rands)</b> List issuers/entities which exceeds 5% of total assets				46 531 706
<b>Other (provide details)</b>				0
<b>Total Commodities</b>				46 531 706

Full details of buy-back transactions in respect of Kruger Rands must be furnished.

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT ( REF. NO. 12/8/6676/2 )**  
**SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

**C DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS**

<b>Instrument</b>	<b>Local or foreign</b>	<b>Secured/ Unsecured</b>	<b>Issued/ Guaranteed</b>	<b>Redemption value R</b>	<b>Fair value R</b>
<b>Government debt:</b>					
<b>Debt instruments issued by an loans to the government of the Republic and any debt or loan guaranteed by the Republic</b> List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		1 151 453 495,26  1 151 453 495,26	440 404 809,00  435 174 080,00
<b>Debt Instruments issued or guaranteed by the government of a foreign country:</b> List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured			5 230 729
<b>Bank debt :</b> <b>Debt instruments issued or guaranteed by a South African Bank against its balance sheet:-</b>	Local	Secured/ Unsecured		283345307	235 266 199,00
<b>Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed</b> List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		0	227 196 954
<b>Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed</b> - List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		140273849	255 823,00
<b>Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed</b> - List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		143071458	1 887 056,00
<b>Not listed on an exchange (provide details)</b>					5 926 366

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT ( REF. NO. 12/8/6676/2 )**  
**SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

**C DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS (continued)**

Instrument	Local or foreign	Secured/ Unsecured	Issued/ Guaranteed	Redemption value R	Fair value R
<b>Public debt:</b>					
Debt Instruments Issued or guaranteed by a public entity under the Public Finance Management Act, 1989 (Act No. 1 of 1999) as prescribed:-		Secured/ Unsecured		242976884	89 825 422,00
1.Airports Company of South Africa Limited	Local			13036000	6 458 310,00
2.Development Bank of South Africa	Local			43909664	16 844 472,00
3.ESKOM	Local			86899248	20 851 872,00
4.Industrial Development Corporation of South Africa	Local				383 179,00
5.Land and Agricultural Development Bank of South Africa	Local				-
6.Trans – Caledon Tunnel Authority	Local			9390972,02	3 247 085,00
7.Transnet Limited	Local			39472000	30 011 881,00
8.The South African National Roads Agency Limited	Local			28749000	6 358 964,00
9.Rand Water	Local			8150000	2 943 993,00
10.Umgent Water	Local			13370000	2 725 666,00
<b>Corporate debt (excluding debentures):</b>	Local	Secured/ Unsecured		122626816	127 995 316,00
Debt Instruments Issued or guaranteed by an entity that has equity listed on an exchange					
Listed on an exchange List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		122626816	85 625 304,00
Not listed on an exchange					42 370 012,00
<b>Debentures:</b>					-
Listed on an exchange List issuers/entities which exceeds 5% of total assets					-
Not listed on an exchange (provide details)					-
<b>Other</b>	Local				1 009 912,00
Listed on an exchange: List issuers/entities which exceeds 5% of total assets	Foreign				1 009 912,00
Not listed on an exchange					-
<b>TOTAL DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS</b>					<b>894 501 658,00</b>

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT ( REF. NO. 12/8/6676/2 )**  
**SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

**D INVESTMENT AND OWNER OCCUPIED PROPERTIES**

Instrument	Local or foreign	Fair value R
<b>Owner occupied properties</b>		
- List issuers/entities which exceeds 5% of total assets		
<b>Investment properties</b>		
- List issuers/entities which exceeds 5% of total assets		
<b>TOTAL</b>		

Instrument	Local/ Foreign	Issued shares	Holding number	Ordinary/ Preference shares	% Holding	Fair value R
<b>Shares and linked units in property companies, or units in a collective investment scheme in property, listed on an exchange:</b>						
Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed						161 557 410,00
List issuers/entities which exceeds 5% of total assets						
Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed						10 394 441,00
List issuers/entities which exceeds 5% of total assets						
Issuer market capitalisation of less than R3 billion, or an amount or conditions as prescribed						10 362 408,00
List issuers/entities which exceeds 5% of total assets						
<b>Shares in property companies and linked units in property companies, not listed on an exchange:</b>						
Provide details						1 081 350
<b>TOTAL</b>						<b>183 395 609</b>

Instrument	Local/ Foreign	Secured by	Interest rate			Fair value R
<b>Participating mortgage bonds- List issuers/entities which exceeds 5% of total assets</b>						-
<b>TOTAL</b>						

						Fair value R
<b>TOTAL OF INVESTMENT AND OWNER OCCUPIED PROPERTY</b>						<b>183 395 609,00</b>

Note: Valuation method and date of valuation

**NOTES TO THE INVESTMENT SCHEDULE**  
For the period ended 31 March 2016

[illegible]

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6678/2)**  
**SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**  
**For the period ended 31 March 2016**

**F SECURITIES LENDING**

Securities on lend	Maximum of Fair value of security	Transaction date	Collateral	Fair value	No. of shares lent	Name of counter party	Scrp custodian	Manufactured dividend R
Equities – Top 100 of companies (by market cap) listed on an exchange	75%		Various	394,635,736.44	4,851,793	Nedbank	Nedbank	3,772,199.29
Other listed equities (provide details)	50%							
Debt – Government bonds	75%		Various	129,703,830.07	129,407,404	Nedbank	Nedbank	
Other listed debt instruments (provide details)	50%							
Money Market Instruments Issued by a South African bank, including an Islamic liquidity	75%							
<b>TOTAL</b>				<b>518,339,366.51</b>	<b>134,089,197</b>			<b>3,772,199.29</b>

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

List and describe your scrip lending mandates

Name of lender	Description	% of total assets	Value of transaction R
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	PRUDENTIAL 8862034410	50%	233,028,884.53
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	CORONATION 8862034380	50%	146,079,308.84
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	STANLIB 110138400012	50%	50,067,098.52
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	FOORD 110135170165	50%	89,183,086.52
<b>Total</b>			<b>518,339,366.51</b>

NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/5676/2)  
**SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

**G DIRECT DERIVATIVE MARKET INSTRUMENTS**

**G1 DERIVATIVE POSITIONS WITHOUT RESIDUAL RISK**

Instrument	Local or Foreign	Listed or Unlisted	Strike price	Cost or Premium	Fair value	Effective Economic Exposure		Potential Loss	Potential Gain	Exchange rate	Fixed rate or Variable rate	Counter-party	Counter- party %	Expiry date	Holding number	Holding %
						Gross	Nett									
Notes 1,2 & 3																
Options e.g. put or call																
Futures/ Forwards/ SAFEX																
Currency swaps																
Interest rate swaps																
Forward rate agreements																
Equity linked instruments																
Other (Provide details)																
<b>TOTAL</b>																

**Notes:**

1. Describe valuation methodology of instruments
2. Explain changes in assumptions (if any changes from previous period)
3. List all non-compliance(s) with the Notices



NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6576/2)  
SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2016

G2-DERIVATIVE POSITIONS WITH RESIDUAL RISK

Instrument Notes 1,2 & 3	Local or Foreign	Listed or Unlisted	Strike price	Cost or Premium	Fair value	Effective Economic Exposure		Potential Loss	Potential Gain	Exchange rate	Fixed rate or Variable rate	Counter-party	Counter- party %	Expiry date	Holding number	Holding %	Residual risk
						Gross	Nett										
Options e.g. put or call																	
Futures/ Forwards/ SAFEK																	
Currency swaps																	
Interest rate swaps																	
Forward rate agreements																	
Equity linked Instruments																	
Other (Provide details)																	
TOTAL																	

Annexure D

Notes:

1. Describe valuation methodology of Instruments
2. Explain changes in assumptions (if any changes from previous period)
3. List all non-compliance(s) with the Notices

NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)  
**SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**  
For the period ended 31 March 2016

**H Investments in participating employer/s**

Instrument <small>Note 1</small>	Local or Foreign	Holding number	% Holding	Interest rate	Secured by	Listed/not listed	Issued / Guaranteed	Fair value R
Cash								
Commodities								
Housing Loans								
Debt Instruments								
<b>SUBTOTAL</b>								

Instrument	Local or Foreign	Address	Valuation method	Date of last valuation	Pledged as a guarantee	Listed/not listed	Fair value R
Investment properties and owner occupied properties							
<b>SUBTOTAL</b>							

Instrument	Local or Foreign	Issued shares	Holding number	Ordinary/preference shares	% holding	Listed/not listed	Fair value R
Equities							
Hedge funds							
Private equity							
Other (provide detail)							
<b>SUBTOTAL</b>							
<b>TOTAL FOR INVESTMENT IN PARTICIPATING EMPLOYERS</b>							

Note 1:

List issuers/entities which exceeds 5% of total assets

NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/5878/2 )  
SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2018

NOTES TO THE INVESTMENT SCHEDULE  
For the period ended 31 March 2018

I OTHER ASSETS

Instrument	Local or Foreign	Structure	% Holding	Leverage/Gearing	Term of contract	Period into contract	Total value of commitment R	Current value of commitment R
Total other portfolio assets								

J HEDGE FUNDS

Instrument	Local or Foreign	Structure	% Holding	Leverage/Gearing	Term of contract	Period into contract	Total value of commitment R	Current value of commitment R
Hedge Funds (Provide details)								
Funds of Hedge Funds (Provide details)								
Total Hedge funds commitment								

The Hedge fund structure will be classified as:

Partnerships

Trusts

- Other - Section 5(2)(e)

List all non-compliance(s) with the applicable Notices

NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 128/8678/2)  
**SCHEDULE A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**  
For the period ended 31 March 2016

**K PRIVATE EQUITY FUNDS**

Instrument	Local or Foreign	Structure	Category 2 approval	FAS approval number	% Holding	Term of contract	Number of permitted drawdowns as per contract	Number of permitted drawdowns exceeded	Number of drawdowns exceeded (if any)	Total value of commitment R	Current value of commitment R
Private Equity Fund (Provide details)											
Funds of Private Equity Fund (Provide details)											
<b>Total Private Equity funds commitment</b>											

Annexure D

The Private Equity funds structure will be classified as:  
- Partnerships  
- Trusts  
- Other - Section 5(2)(a)

List all non-compliance(s) with the applicable Notices

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT ( REF. NO. 12/8/6676/2 )**  
**SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

**L CERTIFIED REGULATION 28 COMPLIANT INVESTMENTS**

Instrument	Local or foreign	Fair value R
Collective Investment Schemes – regulation 28(8)(b)(i)		-
Linked policies – regulation 28(8)(b)(ii)		
Non Linked policies – regulation 28(8)(b)(iii)		
Regulated entities – regulation 28(8)(b)(iv)		
<b>Total certified Regulation 28 compliant Investments</b>		-

Note 1:

List issuers/entities which exceeds 5% of total assets

**M REGULATION 28 NON COMPLIANT INVESTMENTS**

**M1 Non-compliant Collective Investment schemes**

Instrument	Local or Foreign	% Holding	Fair value R
Collective Investment Schemes (provide details)			
<b>Total Non-compliant Collective Investment schemes</b>			

**M2 Non-compliant Insurance policies**

Instrument	Local or Foreign	% Holding	Fair value R
Linked Policies (provide details)			
Non-linked policies (provide details)			
<b>Total Non-compliant Insurance policies</b>			

List all non-compliance(s) with the Notices

**N Investments not disclosed /data not available for disclosure by entities**

Investment manager/CIS/ Insurer responsible for not providing information on Investment(s)/portfolio	Fair Value R	Reasons
Provide details		-Previous period compliant portfolio -Previous period non-compliant portfolio -Foreign portfolio - Other

- Investments included in this line should not relate to any of the other specifically identifiable categories in Schedule 1B;
- Investments included in this line should not relate to those under the 5% rule to which look-through need not apply;
- Investments included in the line should be done so on a last resort basis and all reasonable attempts should be made to obtain the required information and or data

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT** (REF. NO. 12/8/6676/2.)  
**SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**  
**O ENTITY/ COUNTERPARTY EXPOSURE**  
**CREDIT / COUNTER PARTY RISK**

Counter party	Direct Investment in counter party	Deposits/liquid asset with counter party	Securities lending transactions	Open financial instruments mark. to market value	Guarantees	Any other instrument	Total per Counter Party	Exposure to counter party as a % of the fair value of the assets of the fund
	R	R	R	R	R	R	R	
<b>BANKS</b>	<b>202,515,886.01</b>	<b>120,978,580.58</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>108,092,849.52</b>	<b>431,590,316.11</b>	<b>11.26%</b>
ABSA BANK	0.00	6,351,372.12	0.00	0.00	0.00	10,935,393.35	17,288,765.47	0.45%
AFRICAN BANK LIMITED	0.00	4,854,578.42	0.00	0.00	0.00	1,041,836.40	5,896,414.82	0.15%
BANK OF WINDHOEK	0.00	0.00	0.00	0.00	0.00	1,009,911.55	1,009,911.55	0.03%
BARCLAYS AFRICA GROUP LTD	17,676,451.94	0.00	0.00	0.00	0.00	5,173,347.16	17,676,451.94	0.46%
CAPITEC BANK LIMITED	0.00	0.00	0.00	0.00	0.00	5,173,347.16	5,173,347.16	0.14%
DEVELOPMENT BANK OF SA	0.00	0.00	0.00	0.00	0.00	9,681,621.05	9,681,621.05	0.25%
FIRST RAND LIMITED	52,229,780.89	0.00	0.00	0.00	0.00	40,824,619.89	93,054,400.78	2.43%
INVESTEC BANK LTD	37,865,477.81	0.00	0.00	0.00	0.00	2,591,948.34	40,457,426.15	1.06%
NEDBANK GROUP LTD	19,431,021.75	87,740,325.92	0.00	0.00	0.00	17,740,354.36	124,911,702.03	3.26%
RMB HOLDINGS LTD	13,302,180.18	0.00	0.00	0.00	0.00	0.00	13,302,180.18	0.35%
STANDARD BANK OF SA	62,010,973.44	17,413,128.66	0.00	0.00	0.00	19,096,817.42	98,520,919.52	2.57%
SAFEX	0.00	4,617,175.45	0.00	0.00	0.00	0.00	4,617,175.46	0.12%
ASSET MANAGERS LOCAL	0.00	22,829,005.53	0.00	0.00	0.00	314,152,834.84	336,981,840.37	8.79%
CORONATION FUND MANAGERS	0.00	17,739,762.36	0.00	0.00	0.00	218,288,320.55	236,028,082.91	5.16%
PRUDENTIAL PORT MGR	0.00	5,089,243.17	0.00	0.00	0.00	5,059,923.84	10,149,167.01	0.26%
STANLIB	0.00	0.00	0.00	0.00	0.00	90,804,590.45	90,804,590.45	2.37%
ASSET MANAGERS FOREIGN	0.00	0.00	0.00	0.00	0.00	1,011,737,687.68	1,011,737,687.68	26.40%
CONTRARIUS	0.00	0.00	0.00	0.00	0.00	241,053,430.28	241,053,430.28	6.29%
INVESTEC	0.00	0.00	0.00	0.00	0.00	212,556,545.15	212,556,545.15	5.55%
SEI INVESTMENTS	0.00	0.00	0.00	0.00	0.00	328,914,465.32	328,914,465.32	8.58%
WALTER SCOTT & PARTNERS	0.00	0.00	0.00	0.00	0.00	229,213,246.93	229,213,246.93	5.98%
INSURANCE COMPANIES	<b>92,804,668.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>11,082,574.58</b>	<b>103,887,243.07</b>	<b>2.71%</b>
ALEXANDER FORBES	2,226,711.50	0.00	0.00	0.00	0.00	0.00	2,226,711.50	0.06%
LIBERTY GROUP LTD	5,692,588.32	0.00	0.00	0.00	0.00	0.00	5,692,588.32	0.15%
DISCOVERY HLD	5,245,884.00	0.00	0.00	0.00	0.00	0.00	5,245,884.00	0.14%
OLD MUTUAL	55,768,452.60	0.00	0.00	0.00	0.00	4,172,922.70	59,941,375.30	1.56%
MMI HOLDINGS	7,049,961.90	0.00	0.00	0.00	0.00	2,579,933.84	9,629,895.74	0.25%
PSG CONSULT LIMITED	1,424,256.60	0.00	0.00	0.00	0.00	0.00	1,424,256.60	0.04%
SANLAM	8,370,916.29	0.00	0.00	0.00	0.00	2,352,674.64	10,723,590.93	0.28%
SANTAM LIMITED	7,025,897.28	0.00	0.00	0.00	0.00	1,977,043.40	9,002,940.68	0.23%
<b>TOTAL</b>	<b>295,320,554.50</b>	<b>143,807,586.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,445,068,946.62</b>	<b>1,884,197,087.23</b>	<b>49.17%</b>
<b>PARTICIPATING EMPLOYERS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>TOTAL</b>	<b>295,320,554.50</b>	<b>143,807,586.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,445,068,946.62</b>	<b>1,884,197,087.23</b>	<b>49.17%</b>

FAIR ASSET VALUE OF THE FUND 3,831,625,778

**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT ( REF. NO. 12/8/6676/2 )**  
**SCHEDULE JA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

Market risk

**EQUITY HOLDINGS**

List the 10 largest rand-value equity holdings

Investment	Fair value at end of period	Open financial instrument s marked to market R	Total fair value equity holdings and open instruments R	Market movement by 5%
NASPERS LTD	185,083,983.00		185,083,983.00	194,338,182.15
BRITISH AMERICAN TOBACCO PLC SHARES	133,187,663.70		133,187,663.70	139,847,046.88
STEINHOFF INTERNATIONAL HOLDINGS N.V.	100,455,047.55		100,455,047.55	105,477,799.93
MTN GROUP LTD	65,458,972.80		65,458,972.80	68,731,921.44
STANDARD BANK GROUP LTD	62,010,973.44		62,010,973.44	65,111,522.11
SASOL LTD	60,280,365.42		60,280,365.42	63,294,383.69
OLD MUTUAL PLC	55,768,452.60		55,768,452.60	58,556,875.23
FIRSTRAND LTD	52,229,780.89		52,229,780.89	54,841,269.93
SA BREWERIES ORD SHARES	47,838,456.04		47,838,456.04	50,230,378.84
CAPITAL & COUNTIES PROPERTIES PLC	35,616,280.00		35,616,280.00	37,397,094.00
Total value of 10 largest equity holdings	797,929,975.44		797,929,975.44	837,826,474.20
Total movement as % of non-current assets plus bank				1.04

3,831,625,777.57

**OTHER FINANCIAL INSTRUMENTS**

List the 10 largest rand-values other financial instruments

Instrument	Holding	Fair value at end of period R	Market movement by 5% R
GLOBAL SELECT EQUITY	1,398,864	328,914,465.32	345,360,188.58
CONTRARIUS GLOBAL EQUITY FUND	476,694	241,053,430.28	253,106,101.80
WALTER SCOTT & PARTNERS GLOBAL EQUITY US	50,920	229,213,246.93	240,673,909.28
CAB001 CORONATION ACTIVE BOND	171,987,048	215,304,566.38	226,069,794.70
GLOBAL STRATEGIC EQUITY	652,184	212,556,545.15	223,184,372.41
REPUBLIC OF SA 10.50 211226	77,942,407	87,568,855.46	91,947,298.23
NEDBANK CALL ACCOUNT - Deposit Accounts		75,000,000.00	75,000,000.00
STNLB INCOME FUND (CLASS B1)	52,108,439	71,596,473.62	75,176,297.30
REPUBLIC OF SA 8.50 31012037	74,536,618	67,102,156.84	70,457,264.68
R213 RSA 7.00 28021021	46,436,000	37,430,782.61	39,302,321.74
Total value of 10 largest other instruments		1,565,740,522.59	1,640,277,548.72
Total movement as % of non-current assets plus bank			1.95

3,831,625,777.57

NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT ( REF. NO. 12/8/6676/2 )  
**SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**NOTES TO THE INVESTMENT SCHEDULE**

For the period ended 31 March 2016

**Market risk**

**Foreign currency exposure**

Foreign Instruments	Description		Fair value at end of period R	Market movement by 5% R
GLOBAL SELECT EQUITY			328,914,465.32	345,360,188.58
CONTRARIUS GLOBAL EQUITY FUND			241,053,430.28	253,106,101.80
WALTER SCOTT & PARTNERS GLOBAL EQUITY US			229,213,246.93	240,673,909.28
GLOBAL STRATEGIC EQUITY			212,556,545.15	223,184,372.41
Total value of foreign Instruments			1,011,737,687.68	1,062,324,572.07
Total movement as % of non-current assets plus bank				1.32

**3,831,625,777.57**

**Hedging portfolio**

**Hedged item per category**

**Hedging instrument**

**Marked to market profit/loss**

**Disclosure**

R

\_\_\_\_\_  
 \_\_\_\_\_



**NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)**  
**SCHEDULE 1A PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2016**

**P RECONCILIATION BETWEEN THE INVESTMENTS IN SCHEDULE H2 AND SCHEDULE 1A**

	Fair value current period (as per Schedule H2.1)	Amortised cost current period	Cash at bank	Property split (Schedule 1AD)	Non-compliant CIS	Non-compliant Insurance Policies	Compliant Investments	Derivatives with residual risk	Investments no information (Schedule 1AN)	Other <sup>Note 1</sup>	Total
Cash	142 828 943,49		37 869 706,27							22 144 917,50	202 843 566,26
Commodities										46 531 706,00	46 531 706,00
Housing Loans											-
Debt Instruments including Islamic debt instruments	581 696 013,89									312 805 644,11	894 501 658,00
Investment properties and owner occupied properties										183 395 609,00	183 395 609,00
Equities	1 743 340 592,41									761 012 646,59	2 504 353 239,00
Investments in participating employers											-
Hedge Funds											-
Private Equity Funds											-
Derivative market instruments											-
Collective Investment Schemes	1 325 890 522,52									-1 325 890 522,52	-
Insurance Policies											-
Entities regulated by Reg 28(8)(b)(iv)											-
Investments not disclosed / data not available for disclosure by entities											-
Other assets											-
<b>TOTAL INVESTMENTS</b>	<b>3 793 756 072,31</b>		<b>37 869 706,27</b>								<b>3 831 625 778,26</b>

Note 1: Amounts may only be included in this column where such asset(s) are not accommodated in any of the column and proper disclosure must be in this note to disclose the nature of the asset(s):


NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

SCHEDULE 1B

ASSETS HELD IN COMPLIANCE WITH REGULATION 28

As at 31 March 2018

	Fair value R
<b>A Total assets (Schedule 1A - Total Investments)</b>	<b>3 831 828 778</b>
<b>B1 Less: Reg 28 compliant investments (certificate received from issuing entity):-</b>	<b>0</b>
B1.1 Collective Investment Schemes (Reg 28(3)(b)(i))	0
B1.2 Linked Policies (Reg 28(3)(b)(ii))	0
B1.3 Non-Linked policies (Reg 28(3)(b)(iii))	0
B1.4 Entity regulated by FSB (Reg 28(3)(b)(iv))	0
<b>B2 Less: Reg 28 Excluded Investments</b>	<b>0</b>
B2.1 Insurance Policies (Reg 28(3)(c))	0
<b>C Loss: Investments not disclosed / data not available for disclosure (Refer</b>	<b>0</b>
<b>D TOTAL ASSETS for REGULATION 28 DISCLOSURE</b>	<b>3 831 828 778</b>

		R	%
1 CASH	100%	202 843 988	5,29%
1.1 Notes, deposits, money market instruments issued by a South African Bank, margin accounts, settlement accounts with an exchange	100%	178 082 203	4,67%
(a) Notes and coins, any balance of deposit in an account held with a South African bank -per issuer/entity	25%	148 848 181	
African Bank Ltd		5 002 800	0,13%
Nedbank Ltd		84 865 005	2,21%
Stato silver corp		63	0,00%
Standard Bank of SA		10 110 601	0,50%
Standard Bank of SA - held by the Fund		37 869 705	0,99%
(b) A money market instrument issued by a South African bank including an Islamic liquidity -per issuer/entity	25%	27 798 847	0,73%
African Bank Ltd		751 708	0,02%
ABSA bank Limited		11 130 320	
Capitec Bank Limited		1 487 671	
FirstRand Bank Limited		4 088 538	0,11%
Hong Kong Shanghai Bank Corp		121 000	
Investec Bank Ltd		503 801	
Nedbank Ltd		8 044 878	
Standard Bank of SA		3 548 044	
(c) Any positive net balance in a margin account with an -per issuer/entity	25%	4 817 175	0,12%
SAFEX - margin		4 817 175	0,12%
(d) Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets -per issuer/entity	25%	0	
		0	

	balances or deposits, money market instruments	
1,2	issued by a foreign bank including Islamic liquidity management financial instruments	SARB maximum limits
(a)	Any balance or deposit held with a foreign bank	
	-per issuer/entity	5%
	Cooperative Rabobank UA	
	Australia & New Zealand Banking Group Ltd/United Kingdom	
	Australian Dollar	
	Canadian Dollar	
	Swiss Franc	
	Euro currency	
	Pound Sterling	
	Hong Kong Dollar	
	Japanese Yen	
	Norwegian Krone	
	Swedish Krona	
	Singapore Dollar	
	US Dollar	
	Investec Derivatives	
	State Street Corp	
(b)	Any balance or deposit held with an African bank	
	-per issuer/entity	5%
(c)	A money market instrument issued by a foreign bank	
	-per issuer/entity	5%

	23 781 363	0,82%
	23 781 363	0,82%
	78 110	0,00%
	598 067	0,02%
	228 065	0,01%
	448 162	0,01%
	756 093	0,02%
	8 490 349	0,17%
	740 369	0,02%
	-81 059	0,00%
	8 834 218	0,17%
	0	0,00%
	19	0,00%
	57 248	0,00%
	4 173 703	0,11%
	0	0,00%
	3 650 128	0,10%
	0	0,00%
	0	0,00%
	0	0,00%
	0	0,00%

2	DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS	100% issued/ guaranteed by Roubilio
2.1	Inside the Republic	75/100%
(a)	Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%
(b)	Debt instruments issued or guaranteed by the government of a foreign country	75%
	-per issuer	10%
(c)	Debt instruments issued or guaranteed by a South African Bank against its balance sheet:-	75%
(c)(i)	Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%
	-per issuer	25%
	ABSA Bank Ltd	
	Capitec Bank Ltd	
	FirstRand Bank Ltd	
	Investec Bank Ltd	
	Nedbank Ltd	
	Standard Bank of SA	
(c)(ii)	Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%
	-per issuer	15%
	Gnndrop Ltd	
(c)(iii)	Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%
	-per issuer	10%
	African Bank Ltd	
(c)(iv)	Not listed on an exchange	25%
	- per issuer	5%
	African Bank Ltd	
	ABSA Bank Ltd	
	FirstRand Bank Ltd	
	Investec Bank Ltd	
	Nedbank Ltd	

	884 501 858	23,35%
	883 481 746	23,32%
	435 174 080	11,38%
	5 238 729	0,14%
	0	0,00%
	235 266 189	6,14%
	227 188 954	5,63%
	24 983 803	0,66%
	6 852 723	0,16%
	73 501 711	1,82%
	10 308 035	0,27%
	48 581 848	1,20%
	62 988 133	1,64%
	265 823	
	0	
	255 823	
	1 887 058	0,05%
	1 887 058	0,05%
	5 828 366	
	164 398	
	219 644	
	12 687	
	5 476 030	
	53 308	

Debt instruments issued or guaranteed by an entity that has equity listed on an exchange, or debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed:-				
(d)	50%	97 486 037		2,64%
(d)(i)	50%	88 825 422		2,34%
- per issuer	10%			
Airports Company SA Ltd		6 458 310		0,17%
Development Bank of Southern Africa		16 844 472		0,44%
Eskom Holdings Ltd		20 851 672		0,54%
Industrial Dev Corp		383 170		0,01%
SA National Roads Agency Ltd		6 358 954		0,17%
Rand Water Board		2 943 693		0,08%
Transnet Ltd		30 011 881		0,78%
Trans Caledon Tunnel		3 247 065		0,09%
Umgenti Water		2 726 068		0,07%
(d)(ii)	25%	7 670 615		0,20%
Not listed on an exchange	5%	1 333 714		0,03%
Aveng Ltd		4 821 299		0,13%
Landbank of SA		28 397		0,00%
SA National Roads Agency Ltd		234 130		0,01%
Old Mutual Plc		73 697		0,00%
RCS Investment Ltd		1 172 159		0,03%
SA National Roads Agency Ltd		6 979		0,00%
Trans Caledon Tunnel	5%			
(e)	25%	120 324 701		3,14%
(e)(i)	25%	85 625 304		2,23%
- per instrument	5%			
Amber House Fund		4 510 180		0,12%
Anglogold Limited		85 235		#DIV/0!
Barlowsorld Ltd		1 280 080		#DIV/0!
Beyport Sec (RF) Ltd		2 911 480		#DIV/0!
Bidvest Group Ltd		2 776 640		#DIV/0!
City of Cape Town Municipality		8 036 637		#DIV/0!
City of Johannesburg		657 638		#DIV/0!
Ekurhuleni Metro Municipality		8 168 332		#DIV/0!
Eqstra Holdings Ltd		585 284		#DIV/0!
Group Five Construction (Pty) Ltd		2 684 655		#DIV/0!
Growthpoint Property Ltd		46 958		#DIV/0!
Impati Platinum Holdings Ltd		2 490 000		#DIV/0!
Imperial Holdings Ltd		2 732 818		#DIV/0!
LibertGroup		1 184 878		#DIV/0!
Mercedes Benz SA		9 713 800		#DIV/0!
MMI Holdings Ltd		1 801 491		#DIV/0!
MTN Group Ltd		2 488 379		#DIV/0!
Netcare Ltd		1 086 340		#DIV/0!
Old Mutual Plc		4 988 654		#DIV/0!
Prudential Portfolio Managers - Pooled Fund		5 059 624		#DIV/0!
Pretoria Portland Cement		355 613		#DIV/0!
Redefine Properties LTD		32 112		#DIV/0!
SABMiller Plc		2 990 185		#DIV/0!
Sappl Ltd		3 035 633		#DIV/0!
Santam Ltd		2 600 671		#DIV/0!
Santam Ltd		1 977 043		#DIV/0!
City of Temebe Metrop Muni		539 619		#DIV/0!
Barlowsorld Ltd		336 825		0,01%
Commissioner Street		385 658		0,01%
Oette Property Fund Ltd		476 631		0,01%
Hyprop Investment Ltd		2 535 240		0,07%
Kagiso Sizemani CAP		237 068		0,01%
MMI Holdings Ltd		3 000 212		0,08%
Nitro Securitisation		356 248		0,01%
Pretoria Portland Cement		326 775		0,01%
Pracind Funding Ltd		447 633		0,01%
Redefine Properties Ltd		883 152		0,02%
Resilient Property		542 298		0,01%
Sappl Ltd		995 329		0,03%
Thelwell Fund 10 Ltd		10 951		0,00%
Thelwell Ltd		875 619		0,02%
Vukile Property Group		53 672		0,00%
(e)(ii)	16%	34 698 397		0,91%
Not listed on an exchange				
Anglo American Plc	5%	676 735		0,02%
Amber House Fund	5%	798 147		0,02%
Aspen Pharmacare Holdings Ltd	5%	851 661		0,02%
Barlowsorld Ltd	5%	249 918		0,01%
Commissioner Street	5%	897 694		0,02%
Coronation Fund managers	5%	23 036 824		0,60%
Delek Fibre Africa	5%	745 582		0,02%
Fox Street	5%	643 145		0,02%
Imperial Holdings Ltd	5%	468 370		0,01%
Kagiso Sizemani CAP	5%	547 228		0,01%
Libert Group	5%	259 064		0,01%
MMI Holdings Ltd	5%	1 058 218		0,03%
Old Mutual Plc	5%	1 782 149		0,05%
Pracind Funding Ltd	5%	458 391		0,01%
Satrix - Margin	5%	3 917		0,00%
Santam Ltd	5%	282 141		0,01%
Standard Chartered Plc	5%	452 674		0,01%
Thelwell Fund 11 Ltd	5%	1 028 378		0,03%
Woolworth Holdings	5%	182 090		0,00%

[illegible]

3 EQUITIES		75%	2 504 353 239	65,36%
3.1 Inside the Republic		75%	1 542 518 320	40,20%
Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange-		75%	1 539 632 666	40,18%
(a) Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed		75%	1 380 808 203	38,03%
(a)(i) -per issuer		15%		
ABSA Bank Ltd			17 676 452	0,48%
Anglo American plc			22 280 711	0,58%
Anglo Plat			13 110 372	0,34%
Aspen Pharmacare Holdings Ltd			31 789 712	0,83%
Avintia Ltd			13 580 816	0,35%
BHP Billiton plc			24 582 238	0,63%
British American Tobacco plc			133 187 504	3,48%
Bidvest Group Ltd			16 415 756	0,48%
Clicks			7 508 273	0,07%
Corenet Fund Managers			14 110 077	0,37%
Distell Group Ltd			2 987 614	0,08%
Discovery Holdings Ltd			6 245 884	0,14%
Exxaro Resources Ltd			9 705 600	0,26%
FirstRand Bank Ltd			65 531 901	1,71%
Foschini Group Ltd			22 076 672	0,58%
Glencore Xstrata plc			6 512 184	0,17%
Impala Platinum Holdings Ltd			29 818 120	0,77%
Investec Bank Ltd			27 891 543	0,72%
Liberty Holdings			6 662 588	0,19%
Al Noor Hospitals GR			20 324 624	0,53%
MMI Holdings Ltd			7 048 662	0,18%
Mondi Ltd			13 360 521	0,35%
Mondi plc			24 524 788	0,64%
Mr Price Group			7 449 578	0,19%
MTN Group Ltd			65 458 873	1,71%
Nobank Ltd			19 431 022	0,51%
Northam Platinum Ltd			25 297 384	0,66%
Naspers Ltd			185 083 963	4,83%
Netcare Ltd			24 489 110	0,64%
Oceana Group Ltd			1 750 000	0,05%
Old Mutual plc			66 768 453	1,48%
Pioneer Food Group Ltd			9 934 566	0,26%
Pick n Pay			20 920 422	0,55%
Rainbow Chicken			139 118	0,00%
Rainforest Investments Sca			5 402 116	0,14%
Ramgro Ltd			19 887 915	0,51%
Compagnie Fin Richemont			36 547 291	0,93%
SABMiller plc			47 838 466	1,25%
Seppi Ltd			15 862 361	0,41%
Sibanye Gold Ltd			4 629 608	0,13%
Sarlam Ltd			8 370 616	0,22%
Steinhoff International N.V			100 455 048	2,62%
Sarlam Ltd			7 025 897	0,18%
Sasol Ltd			80 280 385	1,57%
Spar Group Ltd			6 594 565	0,18%
Standard Bank of SA			82 010 673	1,82%
Tiger Brands Ltd			14 804 505	0,39%
Truworths Int			598 359	0,02%
Teogo Sun Holdings Ltd			13 934 598	0,36%
Vodacom Group Ltd			12 626 637	0,33%
Woolworths Holdings Ltd			17 498 410	0,46%
(a)(i) Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed		75%	112 927 008	2,98%
(a)(ii) -per issuer		10%		
Adtech Ltd			5 523 953	0,14%
Alexander Forbes			2 228 712	0,06%
AECI Ltd			6 619 604	0,18%
Astral Foods Ltd			4 478 072	0,12%
Allied Electronics Corporation Ltd			928 808	0,02%
Choppies			2 960 336	0,08%
Capevinh			1 979 512	0,05%
Datatec Ltd			5 041 950	0,13%
EOH Holdings Ltd			965 620	0,03%
Famous Brands Ltd			3 447 732	0,09%
Grindrod Ltd			293 438	0,01%
Group Five Construction (Pty) Ltd			110 487	0,00%
Hoecken Consolidated Investments			6 523 708	0,17%
Hudaco Industries			3 139 776	0,08%
Illovo Sugar Ltd			222 937	0,01%
JSE Ltd			7 404 237	0,19%
Kap International Holdings			1 113 815	0,03%
PSG Konsult Limited			1 424 257	0,04%
Mpect Ltd			5 786 272	0,15%
Murray & Roberts Holdings			339 872	0,01%
Omnia Holdings Ltd			15 289 229	0,40%
Pan African Resources plc			1 636 083	0,04%
Pretoria Portland Cement			5 344 320	0,14%
Pick n Pay Holdings Ltd			2 912 895	0,08%
Super Group Ltd			8 714 341	0,23%
Sun International SA			4 996 895	0,13%
Tongaat Hulett Ltd			5 878 841	0,15%
Trencoor			7 708 978	0,20%
Zeder Investments			18 920	0,00%

(a)(iii)	Issuer market capitalisation or less than R2 billion, or an amount or conditions as prescribed -per issuer	75% 5%	45 907 357	1,20%
	African Bank Limited		0	0,00%
	Adcorp Holding Ltd		185 506	0,00%
	Anheuser-Busch Inbev SANV		25 403 036	0,89%
	Asinapek Ltd		262 645	0,01%
	Barloworld Limited		8 911 350	0,23%
	Basil Reed Holdings Ltd		604 854	0,02%
	Buildmax Ltd		38 228	0,00%
	Capital & Regional PI		268 922	0,01%
	Distribution & Warehousing Network Ltd		801 808	0,02%
	Delta EMO Ltd		23 042	0,00%
	Hulamin Ltd		1 027 050	0,03%
	Metrofile Holdings Ltd		655 547	0,01%
	Montauk Energy Holdings LLC		348 754	0,01%
	Quantum Foods Holdings Ltd		189 724	0,00%
	Sea Key Holdings Ltd		8 725	0,00%
	Sontula Mining Ltd		237 683	0,01%
	Sovereign Food Investment Ltd		509 570	0,01%
	Storage Prop Ret Ltd		642 880	0,01%
	Stofanvill Stocks Holdings Ltd		253 960	0,01%
	The York Timber Organisation Ltd		128 745	0,00%
	Zimbabwe Platinum RF Ltd		6 707 329	0,15%
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange -per issuer	10% 2,50%	2 963 764	
	Coronation Fund Managers		2 963 764	
	Safex - Derivative		0	
3.2 Foreign	Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange -	SARB maximum limits	961 636 819	25,10%
(a)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed -per issuer	SARB maximum limits	961 636 819	25,10%
(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed -per issuer	SARB maximum limits	414 101 727	10,61%
	Ansys Inc		43 302	0,00%
	Avery Dennison Corp		874 780	0,02%
	WR Berkley Corp		64 406	0,00%
	Chicago Bridge & Iron Co NV		222 984	0,01%
	CMS Energy Corp		65 470	0,00%
	Sealed Air Corp		123 455	0,00%
	Gap Inc		1 637 631	0,04%
	Nuance communications Inc		72 930	0,00%
	Hormel Foods Corp		224 955	0,01%
	Lam Research Corp		2 274 488	0,06%
	Loggott & Platt Inc		62 981	0,00%
	Scana Corp		307 439	0,01%
	Domtar Corp		226 550	0,01%
	Quest Diagnostic Inc		3 265 689	0,00%
	Zimmer Holdings Inc		3 430 710	0,09%
	Tack Resources B Ltd		12 764 974	0,33%
	Torchmark Corp		28 215	0,00%
	Tractor Supply		24 630	0,00%
	Neadeq Omx Group Inc		180 734	0,00%
	UKQ Corp		55 651	0,00%
	GKN Plc		730 717	0,02%
	Gamestop Corp-Class A		160 703	0,00%
	Capemini		2 344 447	0,06%
	Fuchs Petrolub Prof		88 805	0,00%
	Hollyfrontier Corp		470 699	0,01%
	Huntington Ingalls Industries		573 650	0,01%
	Huntsman Corp		111 157	0,00%
	UPM_Kymmene OYJ		1 741 641	0,05%
	Societe Bic		109 682	0,00%
	UCB SA		124 054	0,00%
	CEZ AS		880 398	0,02%
	Mondelez International Inc		54 618	0,00%
	Navatek Microelectronics Corp.		1 648 811	0,05%
	Fuji Electric Ltd		1 655 644	0,04%
	Keluhan Electric Railway Co Ltd		27 748	0,00%
	Peninsular Ord GSPD 1B		179 005	0,00%
	Bumitomo Electric Industries Ltd		1 961 122	0,05%
	Synnex Technology International Co		2 840 011	0,07%
	Tanega National BHD		2 270 517	0,06%
	ABB		1 190 519	0,03%
	Audius Ag		163 223	0,00%
	Autobus Systems		139 048	0,00%
	Aes Corp		242 079	0,01%
	Agco Corp		280 118	0,01%
	Alfrease Holdings Corp		76 708	0,00%
	Allergan		1 088 978	0,03%
	Altria Group Inc		613 313	0,01%
	Amalgamated Appliance Holdings Ltd		107 764	0,00%
	Ameriprise Financial Inc		381 288	0,01%
	Amerisourcebergen Corp		277 073	0,01%
	Ametek Inc		45 384	0,00%
	Amgen Inc		656 612	0,02%
	Amphenol Labs		4 765 302	0,12%
	Anhui		1 472 479	0,04%
	Antofagasta Plc		400 078	0,01%
	Archer Daniels Midland Co		457 602	0,01%
	Asemi		2 336 027	0,06%
	Assurant Inc		433 307	0,01%
	Astrazeneca Plc		663 035	0,02%
	AT&T Inc		1 252 637	0,03%
	Autoliv Inc		254 329	0,01%
	Automatic Data		4 930 023	0,13%
	Aviva Plc		794 857	0,02%
	Avnet Inc		298 100	0,01%
	Cairn Corp Series A		2 164 786	0,06%

Exor	27 776	0,00%
Inc Inc Class A	128 764	0,00%
China Construction Bank Corp H	2 464 005	0,08%
Minc Norilsk Nickel ADR	1 692 239	0,04%
Transdigm Group Inc	113 319	0,00%
Schindler Holding AG	63 112	0,00%
Symrise AG Nov (8r)	122 770	0,00%
Pyramiden	101 001	0,00%
Turkya Halk Bankasi A	607 796	0,02%
Inti Consolidated Euro S	103 782	0,00%
New China Life Insurance (H)	1 052 974	0,06%
Emlek Kariyer Gayrimenkul Yatirim Or	2 104 519	0,05%
Powazachny Zaklad Ubezpieczen S.A.	454 837	0,01%
Ventiv Inc Class A	3 891 866	0,10%
Tripadvisor Inc	316 420	0,01%
Ally Financial Inc	2 131 586	0,08%
Telefonica Deutschland Holding AG	6 840	0,00%
Quintiles Transnational Hold	112 257	0,00%
Direct Line Insurance Plc	178 540	0,00%
Bae Systems Plc	806 865	0,02%
Bali Corp	23 724	0,00%
ProSieben Sat.1 Media AG-Rog	162 756	0,00%
Twitter Inc	9 750 475	0,25%
Nat Group NV	2 435 836	0,08%
Boeing	881 496	0,02%
Bt Group Plc	557 273	0,01%
Bunge Ltd	218 240	0,01%
Alphabet Inc	4 267 766	0,11%
Alphabet Inc	4 376 312	0,11%
Carnival Plc	48 638	0,00%
Celgene Corp	747 123	0,02%
Central Japan Railway Co	738 356	0,02%
Cantrics	828 920	0,02%
Cf Industries Holdings	214 422	0,01%
China Mobile	3 117 046	0,08%
Chunabli	4 655 348	0,12%
Chadron Oil & Gas	4 781	0,00%
Cie Generala Das Etapis	2 830 086	0,07%
Cincinnati Financial Corp	118 638	0,00%
Cintas Corp	659 403	0,02%
Cisco Systems Inc	6 031 430	0,13%
Citigroup Inc	155 047	0,00%
Citrix Systems	33 281	0,00%
Cip Holdings Ltd	2 985 178	0,08%
Cme Group Inc	2 350 609	0,06%
Cnooc	5 360 597	0,14%
Cordis	809 839	0,02%
Cognizant	4 388 267	0,11%
Comcast Corp	721 343	0,02%
Conagra Foods Inc	191 880	0,01%
ConocoPhillips	125 368	0,00%
Corning Inc	500 743	0,02%
Crit Plc	2 922 247	0,08%
Cvs Caremark Corp	809 960	0,02%
Daiichi Chemical Industries	21 112	0,00%
Delta Air Lines Inc	860 998	0,02%
Deutsche Boerse AG	9 281	0,00%
Dr Pepper Snapple Group Inc	1 066 403	0,03%
Eastman Chemical Co	304 056	0,01%
Ebay	2 519 888	0,07%
Edison International	705 387	0,02%
Emc Corp/Mass	1 712 037	0,04%
Entergy Corp	769 222	0,02%
Eng Resources	8 141 258	0,18%
Equifax Inc	280 978	0,01%
Everest Re Group Ltd	770 298	0,02%
Exxon	1 482 845	0,04%
Fanuc Ltd	4 421 748	0,12%
Federal Co	4 178 305	0,11%
Fedex	643 316	0,01%
Fifth Third Bancorp	615 700	0,02%
FirstEnergy Corp	775 139	0,02%
Fiserv Inc	325 845	0,01%
Fliir Systems	3 602 243	0,09%
Fluor Corp	321 754	0,01%
Fuji Heavy Industries Ltd	83 125	0,00%
Gazprom ADS	12 736 688	0,33%
Admiral Group Plc	13 813	0,00%
General Dynamics	334 076	0,01%
General Motors Co	817 658	0,02%
Gilead Sciences Inc	7 794 844	0,20%
GlecoSmithKline Plc	844 777	0,02%
Goldman Sachs Group Inc	258 659	0,01%
Harris Corp	114 834	0,00%
Hartford Finl Sv	881 738	0,02%
HeidelbergCement AG	3 345 256	0,09%
Helmerich & Payn	103 446	0,00%
Henns + Mauritz Ab B Shs	4 114 597	0,11%
Henry Schain Inc	814 443	0,02%
Hess Corp	1 791 476	0,05%
Hewlett-Packard Co	2 611 128	0,07%
Hk & China Gas	4 313 078	0,11%
Hochengas	4 843 259	0,12%
Honda Motors	6 284 825	0,14%
Humana Inc	11 059	0,00%
Huntington Bancshares Inc	282 831	0,01%
Illumina Inc	63 765	0,00%
Imperial Tobacco Group	988 801	0,08%
Ingenuity Property Investments / Unit (1 Ord & 1	3 258 205	0,09%
International Paper Co	310 211	0,01%
Intl Business Machines	527 402	0,01%
Intuit Inc	343 712	0,01%
Intuitive Surgical Inc USD 0.001	6 805 882	0,16%



Itochu Corp	29 845	0,00%
Japan Tobacco Inc	3 202 504	0,00%
Kajima Corp	102 616	0,00%
Kaneka Corp	70 057	0,00%
Kbc Bankvarzek	2 863 833	0,07%
Kddi Corp	2 531 073	0,07%
Kellogg Co	76 422	0,00%
Kerry Group Plc	116 748	0,00%
Keyence Corp	4 638 180	0,12%
Kikkoman Corp	8 950	0,00%
Kimberly-Clark	744 872	0,02%
Kingfisher Plc	684 421	0,02%
Kinross Gold Corp	13 065 522	0,34%
Kohle Corp	468 349	0,01%
Komatsu Ltd	7 412 166	0,19%
Konami Corp	57 364	0,00%
Koninklijke Kpn Nv	70 745	0,00%
Kroger Co	782 043	0,02%
Lawson Inc	83 671	0,00%
Legal & General Group Plc	47 297	0,00%
Lincoln National Corp	1 817 827	0,06%
Lockheed Martin	704 331	0,02%
Loraz Group Ag	221 060	0,01%
Loreal	11 145 274	0,26%
Lowes Cos Inc	1 049 560	0,03%
Macy's Inc	4 009 374	0,10%
Makita Corp	16 909	0,00%
Manpower Group	103 452	0,00%
Marks & Spencer Group Plc	689 658	0,02%
Mastercard Inc Class A	4 387 343	0,11%
Mattel Inc	10 171	0,00%
Modipal Holdings Corp	57 078	0,00%
Merck KGaA	865 142	0,02%
Metro Inc	183 379	0,00%
Mitsubishi Corp	130 143	0,00%
Mondi Plc	104 048	0,00%
Moody's Corp	788 716	0,02%
Morgan Stanley	161 882	0,00%
Motorola Solutions Inc	18 321	0,00%
National Grid Plc	15 833	0,00%
Nestle Sa Reg	4 716 498	0,12%
Netflix Inc	334 011	0,01%
Next Plc	172 274	0,00%
Nike Inc Cl B	4 470 202	0,12%
Nissai Holdings Inc	2 010 778	0,06%
Nemura Holdings Inc	25 503	0,00%
Northrop Grumman Corp	640 485	0,02%
Novo Nordisk B	7 789 408	0,20%
Nvidia Corp	965 012	0,02%
Oracle	4 888 808	0,13%
Oreilly Automotive Inc	215 250	0,01%
Otsuka Holdings Co Ltd	208 807	0,01%
Pacer Inc	254 897	0,01%
Psychex Inc	105 205	0,00%
Peugeot Sa	136 643	0,00%
Pg&E Corp	50 587	0,00%
Pinnacle Hldg	432 226	0,01%
Puprop Limited / Ord	1 999 874	0,05%
Priceline Group	4 058 403	0,11%
Public Service Enterprise	981 225	0,03%
Qatargas Nv	98 679	0,00%
Raytheon Co	316 939	0,01%
Red Hat Inc	16 778	0,00%
Reed Elsevier Plc	2 578 204	0,07%
Reynolds American Inc	365 710	0,01%
Roper Industries Inc	110 584	0,00%
Ross Stores Inc	42 038	0,00%
Royal Dutch Shell	2 178 652	0,06%
Sahafi	2 178 834	0,06%
Saar Sa	130 889	0,00%
Seagate Technology	357 078	0,01%
Sekisui House Ltd	3 604 837	0,06%
Seymour Trent Plc	22 705	0,00%
Sgs Sa	2 502 901	0,07%
Shimadzu Corp	42 758	0,00%
Shimano Inc	712 200	0,02%
Shimizu Corp	51 350	0,00%
Shin-Etsu Chemical Co Ltd	4 246 442	0,11%
Shionogi & Co Ltd	151 129	0,00%
Shire Plc	833 010	0,01%
Siemens Ag	4 371 017	0,11%
Standard Chartered Bank	5 197 451	0,14%
Stericycle Inc	16 270	0,00%
Stryker Corp	5 426 182	0,14%
Suniloma Corp	163 443	0,00%
Suncor Energy	5 203 887	0,14%
Sun Life Financial Inc	54 680	0,00%
Suntrust Banks Inc	590 654	0,02%
Swatch Group Ag/The	1 451 807	0,04%
Swadish Match Ab	165 250	0,00%
Symantec Corp	372 302	0,01%
Syngenta N	3 318 504	0,09%
Symex Corp	773 117	0,02%
Taisei Corp	10 013	0,00%
Tachip Sa	977 139	0,03%
Telecom Italia Spa	65 880	0,00%
Telefonica Sa	2 371 813	0,06%
Teredata Corp	207 748	0,01%
Terma Rete Elettrica Nazl	102 425	0,00%
Tesco Plc	788 854	0,02%
Time Warner Inc	43 332	0,00%
Total System Services Inc	189 550	0,00%
Toto Ltd	24 564	0,00%

	Transurban Group	78 896	0,00%
	Trend Micro Inc	75 408	0,00%
	Tullow Oil Plc	4 570 915	0,12%
	Tyson Foods Inc-Cl A	930 186	0,02%
	Unicredit Spa	1 786 836	0,05%
	United Therapeutics Corp Del	295 694	0,01%
	Unum Group	320 829	0,01%
	Valiant Pharmaceuticals I	153 045	0,00%
	Vocila Environment	101 922	0,00%
	Verizon Communications	1 082 377	0,03%
	Vestas Wind Systems A/S	1 034 613	0,03%
	Vinci SA	94 704	0,00%
	Visa	655 178	0,02%
	Vulcan Materials	287 437	0,01%
	Walmart	1 048 859	0,03%
	Wolters Kluwer NV	1 707 561	0,04%
	WW Grainger Inc	2 358 110	0,06%
	Xerox Corp	960 443	0,02%
	Xilinx Inc	30 132	0,00%
	XL Group Plc	62 324	0,00%
	Yahoo	3 487 203	0,09%
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	9 714 808	0,25%
	-per issuer	10%	
	American Financial Group Inc	401 454	0,01%
	Voya Financial Inc	324 730	0,01%
	Whirlpool Corp	304 708	0,01%
	Allstate Corp/The	385 100	0,01%
	American Electric Power	885 085	0,02%
	Allor Bank SA	487 764	0,01%
	Spof SA	3 545 893	0,08%
	Clorox Co	129 663	0,00%
	Hannover Rueck SE	182 669	0,00%
	Edwards Life	178 794	0,00%
	James Hardie Industries	83 613	0,00%
	Mtr Corp	65 641	0,00%
	Nyse	189 845	0,00%
	The Progressive Corp	160 623	0,00%
	The Travelers Cos Inc	767 182	0,02%
	Vieco	1 672 104	0,04%
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	838 020 384	14,04%
	-per issuer	5%	
	Gartner Inc	78 388	0,00%
	Oshkosh Corp	204 895	0,01%
	Ryder System Inc	337 718	0,01%
	Smith (A.O.) Corp	717 661	0,02%
	Acuity Brands Inc	211 170	0,01%
	Itaw Unibanco Hldg Prof Adr	2 038 689	0,05%
	Bt Group Plc	3 251 617	0,08%
	3i Group Plc	149 644	0,00%
	Sr Teleperformance	3 389 605	0,09%
	Alpe Electric Co Ltd	59 675	0,00%
	Kase Corp	84 841	0,00%
	Fuji Heavy Industries Ltd	2 263 032	0,06%
	AmorSource Bergen	2 087 078	0,05%
	Ala Group Ltd	4 387 370	0,11%
	Annaly Capital Management	528 830	0,01%
	Apple	18 388 371	0,43%
	Arcus Japan Fd-Associate	51 184 876	1,34%
	Asclano Group	22 743	0,00%
	Asseco Poland Se	341 048	0,01%
	Ensis Group Bank Ag	618 629	0,02%
	ImmoInvest Ag	157 652	0,00%
	Vienna Insurance Group Ag Wiener Versicherung	371 034	0,01%
	Atlantis Spa	27 892	0,00%
	At-T Inc	3 071 112	0,10%
	Activision Blizzard Inc	4 203 697	0,11%
	Agf Energy Ltd	36 332	0,00%
	Antecrat Leisure Ltd	83 484	0,00%
	Apa Group	28 228	0,00%
	Challenger Ltd/Australia	75 778	0,00%
	Citic Group Ltd	49 128	0,00%
	Inetec Pivot Ltd	3 487	0,00%
	Bouff32 Ltd	645 788	0,02%
	Scenhe Group	20 348	0,00%
	Tpg Telecom Ltd	53 651	0,00%
	Treasury Wine Estates Ltd	121 407	0,00%
	Vocus Communications Ltd	26 394	0,00%
	Autohome Inc	3 815 457	0,10%
	Avalonbay Comm Inc	247 422	0,01%
	Halfords Group Plc	478 516	0,01%
	Ship Finance International Ltd	205 003	0,01%
	Gammas Corp Tecnologica Sa	754 038	0,02%
	Polenergia Sa	148 640	0,00%
	Cbe Corp- Class B	3 488 516	0,09%
	Fortune Brands Home & Security	128 840	0,00%
	Lyondellbasell Indu Cl A	633 114	0,02%
	Lear Corp	844 715	0,02%
	Rowan Cos Plc	348 268	0,01%
	Japan Airlines Co Ltd	3 652 361	0,09%
	Bankinter Se	22 477	0,00%
	Bb&T Corp	184 681	0,00%
	Dean Foods Co	215 245	0,01%
	Willis Towers Watson Plc	84 615	0,00%
	Anheuser Busch Inbev Sa/N	57 059	0,00%
	Colruyt Sa	84 637	0,00%
	Agas	185 608	0,00%
	Bhauto Hldgs Ltd	8 551 209	0,17%
	Arch Capital Group Ltd	162 717	0,00%
	Axs Capital Holdings Ltd	218 828	0,01%
	Chung Kong Infrastructure Holdings Ltd	145 054	0,00%

Norwegian Cruise Line Holdings Ltd	63 581	0,00%
Renaissance Holdings Ltd	130 505	0,00%
Bp Plc	1 109 416	0,03%
Broadcom Communications Sys	309 287	0,01%
Brd-Grups Societe Generale Sa	682 510	0,02%
British Land Co Plc	78 801	0,00%
Broadridge Financial	724 884	0,02%
Brown-Forman Corp	142 000	0,00%
Rmr Group Ind/The	3 461	0,00%
Alimentation Couche Tard	383 812	0,01%
Blackberry Ltd	3 789 888	0,10%
Brookfield Asset Manage C	57 050	0,00%
Ccl Industries Inc	109 542	0,00%
Constellation Software In	174 132	0,00%
Ottelama Inc	188 101	0,00%
Gildan Activewear Inc	12 041	0,00%
Intact Financial Corp	57 422	0,00%
Loblaw Companies Ltd	132 665	0,00%
Onex Corp	57 395	0,00%
Cablevision Sys	134 774	0,00%
Carl-Maine Foods Inc	289 027	0,01%
Campbell Soup Co	179 290	0,00%
Cap Gemini Sa	3 021 838	0,08%
Cardinal Health	806 271	0,02%
Casto Computer Co Ltd	86 186	0,00%
Oc Oerlikon Corp Ag	584 865	0,02%
Actelion Ltd Reg	831 417	0,02%
Chocoladefabriken Unid & Spruengli Ag	1 071 738	0,03%
Glyvauden Reg	254 969	0,01%
Straumann Holding Ag	727 500	0,02%
Temenos Group Ag	786 822	0,02%
Swiss Life Holding Ag	77 484	0,00%
Emu-Chemie Holding Ag	162 280	0,00%
Partners Group Holding Ag	141 021	0,00%
Schindler Holding Ag	126 413	0,00%
Julius Baer Group Ltd	24 150	0,00%
Swiss Re Ag	275 248	0,01%
Coca Cola Hbc Ag Di	79 878	0,00%
Chemed Corp	4 119 673	0,11%
Chemspoc	237 281	0,01%
China Traditional Chinese Medicine Co Ltd	2 132 946	0,08%
Chubu Electric Power Co	92 834	0,00%
Chugai Pharmaceutical Co	938	0,00%
Church & Dwight Co Inc	18 732	0,00%
Chevron Corp	648 845	0,02%
Cla De St-Gobain	2 138 670	0,08%
Cla Genetec Doplique Es	135 738	0,00%
Cigna Corp	588 090	0,02%
Clifgrp	4 381 488	0,11%
Colgate	5 285 475	0,14%
Compass Minerals Intl Inc	4 707 388	0,12%
Conpol Sa Ploesti	377 987	0,01%
Costco Wholesale	729 376	0,02%
Cal Ltd	542 788	0,01%
Cls Eventim Ag & Co Kga	702 638	0,02%
Hewlett	472 671	0,01%
Dahwa Securities Group Inc	193 441	0,01%
Darden Restoran	80 172	0,00%
United Internet Ag	71 895	0,00%
Bayerische Motoren Werke	652 608	0,02%
Frappat Ag Frankfurt Airport Services Worldw	13 018	0,00%
Infincon Technologies Ag	780 638	0,02%
Linda Ag	1 708 808	0,04%
Ges Group Ag	821 898	0,02%
Deutsche Wohnen Ag	105 034	0,00%
Oscar Licht Ag	29 019	0,00%
Zelando Se	78 834	0,00%
Deutsche Telekom Ag	2 215 182	0,08%
Discover Financial	771 772	0,02%
Dsv A/S	16 120	0,00%
Chr Hansen Holding A/S	24 384	0,00%
Pandora A/S	214 282	0,01%
Tatlink Grupp Ae	572 407	0,01%
E House China Higgs Ltd	6 762 488	0,18%
Electronic Arts Inc	1 698 287	0,04%
Equity Residential	216 834	0,01%
Aana Sa	11 489	0,00%
Banco Popular Espanol	789 780	0,02%
Ferrovial Sa	183 835	0,00%
Endesa Sa	23 068	0,00%
Enagae Sa	14 907	0,00%
Industria De Diseno Textil	98 928	0,00%
Grifols Sa	59 923	0,00%
Red Electrica Corporation	840 535	0,02%
Essendant Inc	135 085	0,00%
Eaton Group Ltd	149 202	0,00%
Evonik Industries Ag	639 850	0,02%
Extra Space Storage Inc	271 428	0,01%
Nokia Oyj	7 891	0,00%
Elisa Oyj	141 183	0,00%
Nasdaq Oyj	97 248	0,00%
Fidelity Bank	117 732	0,00%
Flextronics Intl Ltd	338 695	0,01%
Fondul Proprietate Sa/Fund	389 825	0,01%
Fortescue Metals Group	13 456 820	0,38%
Alto Sa	1 898 120	0,05%
Axa Sa	20 689	0,00%
LVMH Moet Hennessy Louis	2 132 225	0,08%
Thales Sa	1 206 778	0,03%
Valero SA	49 519	0,00%
Dassault Systemes	42 833	0,00%

Brp Peribes	2 062 880	0,05%
Renault SA	22 758	0,00%
Raxaf Sa	996 411	0,03%
Fresenius Se & Co Kgsa	227 423	0,01%
Galerita Ag	145 281	0,00%
Gannett Co Inc	51 497	0,00%
Barratt Developments Plc	152 088	0,00%
Balfour Beatty Plc	809 806	0,02%
Sky Plc	11 403	0,00%
Firstgroup Plc	478 390	0,01%
Standard Chartered Plc	604 145	0,02%
Mays Plc	828 089	0,01%
National Express Group Plc	421 825	0,01%
Associated British Foods	86 004	0,00%
Pearson Plc	710 111	0,02%
Trevis Peribus Plc	117 223	0,00%
Lloyds Banking Group Plc	745 422	0,02%
Tate & Lyle Plc	358 436	0,01%
Icap Plc	665 305	0,01%
Bund Plc	58 882	0,00%
Inmarsat Plc	161 183	0,00%
London Stock Exchange Gro	153 189	0,00%
Qinetiq Group Plc	620 855	0,01%
Ladbrokes Plc	607 650	0,01%
Ashmore Group Plc	474 267	0,01%
Hardreaves Landown Plc	127 047	0,00%
Smiths Group Plc	829 373	0,02%
Provident Financial Plc	85 171	0,00%
Doxons Carphone Plc	167 519	0,00%
Sagro Plc	107 457	0,00%
Royal Bank Of Scotland Gr	888 468	0,02%
Sage Group Plc/The	778 085	0,02%
Liberty Global Plc A	70 564	0,00%
Liberty Global Plc Series	189 011	0,00%
Cyng Plc	387 868	0,01%
Stock Splits Group Plc	170 799	0,00%
Noble Corp Plc Ord Ust.01	85 360	0,00%
Rae Insurance Group Plc	29 686	0,00%
Rexam Plc	88 663	0,00%
Nielsen Holdings Plc	301 418	0,01%
Globaltrans Investment Plc	282 320	0,01%
Gentrac Holdings Inc	2 088 519	0,05%
Hk Electric Investments & Hk Electric Investm	47 879	0,00%
Technomic Industries Co Ltd	40 112	0,00%
Honeywell International Inc	2 140 138	0,05%
Hospitality Properties Trust	305 221	0,01%
Iamgold Corp	10 256 328	0,27%
Iberdrola Sa	129 128	0,00%
Smurfit Kappa Group Plc	2 101 445	0,05%
Paddy Power Betfair Plc	253 042	0,01%
Bezeq The Israeli Telecommunications Corp Ltd	96 282	0,00%
Bank Hapoalim Bm	126 888	0,00%
Intesa Sanpaolo	25 518	0,00%
Investor	73 703	0,00%
Ipg Photonics Corp	747 008	0,02%
Banca Popolare Dell'emilia Romagna Se	842 808	0,02%
Intesa Sanpaolo	1 031 677	0,05%
Luxottica Group Spa	28 875	0,00%
Telecom Italia Spa	2 894 179	0,08%
Fimeccantea Spa	110 598	0,00%
Itv Plc	55 746	0,00%
Japan Petroleum Explorat	3 896 480	0,09%
Delphi Automotive Plc	88 512	0,00%
Wolseley Plc	124 106	0,00%
Jetblue Airways Corp	777 577	0,02%
John Wood Group Plc	355 078	0,01%
Johnson & Johnson	5 311 583	0,14%
Jones Lang Lasalle Inc	2 614 264	0,07%
Ita Group Holdings Co Ltd	53 173	0,00%
Obic Co Ltd	14 414	0,00%
Inpex Corp	3 964 318	0,10%
Aeon Co Ltd	133 047	0,00%
Sohgo Security Services Co Ltd	82 094	0,00%
Daiichi Sankyo Co Ltd	247 202	0,01%
Toppan Printing Co Ltd	109 258	0,00%
West Japan Railway Co	274 949	0,01%
Japan Tobacco Inc	35 346	0,00%
Nippon Telegraph + Teleph	105 898	0,00%
East Japan Railway Co	26 758	0,00%
Ryohin Kokuoku Co Ltd	134 877	0,00%
Jungheinrich Ag	810 784	0,02%
Juniper Networks	611 711	0,02%
Kansai Electric Power Co	16 901	0,00%
Kazunishige Exploration Production Jsc	218 876	0,01%
Kolto Manufacturing Co Lt	838 733	0,02%
Krones Ag	770 176	0,02%
Xwelchow Mautai Co Ltd	2 822 827	0,07%
Xyowa Haido Kirin Co Ltd	87 014	0,00%
Kyushu Electric Power Co	25 944	0,00%
Legardere Sca	8 299	0,00%
Leju Hidge Ltd	3 710 830	0,10%
Lexmark International Inc	110 937	0,00%
Liberty Global-C	604 501	0,01%
Royal Caribbean Cruises L	258 484	0,01%
Luka Koper	420 678	0,01%
Lvmh Moet Hennessey Louis Vui	5 364 876	0,14%
Mabuchi Motor Co Ltd	5 642	0,00%
Masquarie Group Ltd	8 280	0,00%
Magyar Telekom Telecommunications Plc	475 338	0,01%
Martelli Int-A	30 449	0,00%
Martin Marietta Materials	14 477	0,00%

Manul Group Co Ltd	80 763	0,00%
Moomoo-NV	182 680	0,00%
Md Medical Group Investments Plc	142 366	0,00%
Mely Holdings Co Ltd	129 103	0,00%
Mellanox Technologies Ltd	2 089 351	0,08%
Microsoft Corp	5 105 814	0,13%
Mitsui + Co Ltd	54 505	0,00%
Mohawk Inds	127 054	0,00%
Moog Inc	146 809	0,00%
Mosaic Co/The	280 064	0,01%
Mostardat Zabrza Sa	174 023	0,00%
Myriad	3 887 202	0,10%
Myten NV	2 256 383	0,08%
National Oilwell Varco Inc	11 628 445	0,30%
New York Community Bancorp	180 380	0,00%
Nico Systems Ltd Spons Adr	1 163 680	0,03%
Nihon M&A Center Inc	782 774	0,02%
Nippon Telegraph + Telephone	3 919 054	0,10%
Nissan Chemical Industries Ltd	745 441	0,02%
Nishin Steel Co Ltd	77 045	0,00%
Nitori Holdings Co Ltd	102 677	0,00%
Heineken Holding NV	39 270	0,00%
Heineken NV	142 840	0,00%
Randstad Holding NV	1 374 685	0,04%
Nn Group NV	188 685	0,00%
Schibsted ASA	33 700	0,00%
Novartis Ag Reg	4 332 247	0,11%
Ntt Docomo Inc	56 083	0,00%
Nxp Semiconductors NV	1 674 775	0,05%
New York Times Co	19 205 583	0,60%
Qado Group Plc	8 719 503	0,18%
Oceaneeding Int'n'l Inc	144 682	0,00%
Olympic Entertainment Group As	337 504	0,01%
On Semiconductor Corp	1 832 189	0,05%
Ono Pharmaceutical Co	275 740	0,01%
Opus Securities Sa	341 287	0,01%
Orka ASA	13 657	0,00%
Camiral Corp	28 735	
Paypal Hldgs Inc	2 370 493	0,06%
Pegas Nonwovens Sa	389 108	0,01%
Peoples United	112 769	0,00%
Perkinelmer Inc	1 429 857	0,04%
Pitney Bowes Inc	225 471	0,01%
Agora Sa	133 815	0,00%
Apator Sa	126 095	0,00%
Powozschina Kase Oszczednosci Bank Polski Sa	384 894	0,01%
Terpol Sa	85 886	0,00%
Popular Inc	4 093 672	0,11%
Paste Italiana	4 091 112	0,11%
Ppy Industries Inc	758 888	0,02%
Prexair Inc	5 047 025	0,13%
Protek Communications Inc	214 695	0,01%
Public Storage	216 657	0,01%
Quanta Services	55 964	0,00%
Quest Diagnostic	434 693	0,01%
Raffaelsen Bank Internet	18 907	0,00%
Rackitt Benckiser Group	6 125 765	0,13%
Raffanoe Steel & Aluminum Co	338 730	0,01%
Repubblica Svas	168 688	0,00%
Roche Holding Ag Genusschein	4 530 282	0,12%
Osby Group Plac	138 674	0,00%
Schlumber	4 884 604	0,12%
Screen Holdings Co Ltd	1 028 385	0,06%
Svenska Cellulose Ab Sca	172 271	0,00%
Ica Gruppen Ab	55 811	0,00%
Asse Abloy AB B	860 384	0,02%
Suven West	4 554 745	0,12%
Comfortdelgro Corp Ltd	103 057	0,00%
Broadcom Ltd	476 747	0,01%
Shikoku Electric Power Co	64 680	0,00%
Krka Dd Novo Mesto	578 145	0,02%
Shanghai International Airport Co Ltd	4 378 912	0,11%
Societatea Nationala De Gaze Naturale Romgaz	731 674	0,02%
Societatea Nationala Nuclearelectrica Sa	173 880	0,00%
Sony Financial Holdings	23 967	0,00%
Soulun Hldgs Ltd	5 428 108	0,14%
Southwest Airlines Co	428 744	0,01%
Starbucks Corp	4 533 656	0,12%
Starwood Property Trust Inc	221 611	0,01%
Stillwater Mining Co	16 208 582	0,40%
Scorpio Tankers Inc	1 255 929	0,03%
Supervalu Inc	188 897	0,00%
Suzuken Co Ltd	85 891	0,00%
Synaptics Inc	1 739 651	0,05%
Synopays Inc	880 204	0,02%
Tallinna Kaubamaja Grupp As	193 218	0,01%
Taylor Wimpey Plc	224 483	0,01%
Tech Data Corp	230 384	0,01%
Tegna Inc	190 303	0,00%
Telefonaktiebolaget Lm Er	2 085 417	0,05%
The Capita Group Plc	78 047	0,00%
The McGraw-Hill Cos Inc	44 918	0,00%
The Sherwin-Williams Co	34 448	0,00%
Thermo Fisher Scientific Company	2 137 598	0,08%
Time Inc	1 462 227	0,04%
Timken Co	227 789	0,01%
Tjx Cos Inc	720 583	0,02%
Toho Gas Co Ltd	25 807	0,00%
Tohoku Electric Power Co	35 174	0,00%
Tokyo Electric Power Co	150 783	0,00%

Toyo Soken Kaseha Ltd  
 Türkiye İle Bankası  
 Kordas Global Endüstriyel İplik Ve Kord Bazi  
 Trakya Cam Sanayi AŞ  
 Transgas Sa Medias  
 Tev Havasimental Holding AS  
 Trigon New Europe Fund  
 Trinity Industries Inc  
 Taiwan Semiconductor  
 Tullott Prebon Plc  
 Tyson Foods Inc Cl A  
 Un Healt  
 Alfac Inc  
 Abbvie  
 Activision Blizzard Inc  
 Astra Inc  
 Alphabet Inc Cl C  
 Alphabet Inc Cl A  
 Amaro  
 American Eagle Outfitters Inc

71 491					0,00%
375 509					0,01%
52 810					0,00%
200 002					0,01%
434 475					0,01%
213 116					0,01%
1 146 810					0,03%
158 654					0,00%
\$ 878 276					0,16%
387 624					0,01%
\$ 422 643					0,14%
\$ 036 892					0,13%
411 943					0,01%
869 605					0,02%
418 709					0,01%
584 519					0,02%
355 543					0,01%
452 385					0,01%
04 857					0,00%
238 821					0,01%

American International GR	478 140	0,01%
American Water Works Co Inc	82 132	0,00%
Anthem Inc	1 061 826	0,03%
Apple Inc	290 298	0,01%
Autodesk Inc	68 407	0,00%
Bank of America Corp	406 038	0,01%
Baxter Inc	160 862	0,00%
Best Buy Co Inc	224 806	0,01%
Biogen Inc	428 535	0,01%
Bright Horizons Family Solutions Inc	699 630	0,02%
Cdw Corp/Oe	61 618	0,00%
Cabot Corp	324 724	0,01%
Capital One Financial Cor	496 390	0,01%
Celanese Corp	221 261	0,01%
Cisco Systems Inc	2 260 356	0,06%
Citigroup Inc	1 109 953	0,03%
Constellation Brands Inc	488 878	0,01%
Convergys Corp	236 919	0,01%
Crown Castle Int Corp	527 851	0,01%
Cummins Inc	418 930	
Dr Horton Inc	129 863	0,00%
Genzyme Inc	399 938	
Ollard's Inc	258 551	0,01%
Walt Disney Co/The	318 482	
Discovery Communications Inc	90 232	0,00%
Discovery Communications	154 438	0,00%
Dominos Pizza Inc	878 143	0,02%
Rr Donnelly & Sons Co	173 179	0,00%
Emc Corp/Me	493 502	0,01%
Equinix Inc	856 457	0,02%
Exelon Corp	709 830	0,02%
Express Scripts Holding C	472 777	0,01%
Facebook Inc A	597 281	0,02%
First Republic Bank/Ca	235 874	0,01%
Ford Motor Co	788 807	0,02%
Franklin Resources Inc	8 760 196	0,23%
Gazprom Neft Pao	132 483	0,00%
Global Payments Inc	100 014	0,00%
Goodyear Tire & Rubber Co/The	1 056 513	0,03%
Hca Holdings Inc	464 713	0,01%
Hip Inc	170 727	0,00%
Hanesbrands Inc	61 729	0,00%
Hatley Davidson Inc	373 270	0,01%
Hasbro Inc	63 311	0,00%
Hewlett Packard Enterprise	245 687	0,01%
Hologic Inc	818 288	0,02%
Home Depot Inc	892 203	0,02%
Incyte Corp	267 203	0,01%
Ingredion Inc	292 035	0,01%
Intel Corp	1 507 890	0,04%
Intercontinental Exchange	370 018	0,01%
Interpublic Group Of Cos Inc/The	28 383	0,00%
Jpmorgan Chase & Co	1 619 999	0,04%
Johnson & Johnson	2 674 364	0,07%
Keycorp	580 358	0,02%
Kinder Morgan Inc	6 878 034	0,19%
L Brands Inc	763 669	0,02%
Lexington Realty Trust	311 802	0,01%
Liberty Media Corp	12 855	0,00%
Ell Lilly & Co	23 963	0,00%
Marathon Oil Corp	85 949	0,00%
Marathon Petroleum Corp	738 856	0,02%
Market Corp	53 944	0,00%
Masco Corp	171 259	0,00%
Mastercard Inc Class A	501 823	0,01%
MetLife Inc	400 888	0,01%
Mettler-Toledo International Inc	10 430	0,00%
Microsoft Corp	580 824	0,01%
NCR Corp	184 236	0,00%
Newell Rubbermaid Inc	213 040	0,01%
Nike Inc Cl B	57 648	0,00%
Oracle Corp	319 285	0,01%
Palo Alto Networks Inc	288 639	0,01%
Paycom Holdings Inc	518 018	0,01%
Phillips 66	778 405	0,02%
Prudential Financial Inc	511 867	0,01%
Qualcomm Inc	1 088 194	0,03%
Radian Group Inc	126 006	0,00%
Regeneron Pharmaceuticals	183 582	0,00%
Regions Financial Corp	701 019	0,02%
Reinsurance Group Of America Inc	246 483	0,01%
Sabra Corp	842 480	0,02%
Safeway Cesa Ley Cvr	728	0,00%
Safeway Pdc Llc Cvr	35	0,00%
Signature Bank/New York Ny	94 713	0,00%
Sirius Xm Holdings Inc	66 679	0,00%
Skyworks Solutions Inc	14 140	0,00%
Snop-On Inc	208 970	0,01%
Stanley Black & Decker In	143 228	0,00%
Starbucks Corp	178 800	0,00%
State Street Corp	162 399	0,01%
T-Mobile Us Inc	170 324	0,00%
Target Corp	844 688	0,02%
Tecoro Corp	878 380	0,02%
Toro Co/The	724 282	0,02%
Udr Inc	209 612	0,01%
Under Armour Inc Class A	53 882	0,00%
Unitedhealth Group Inc	828 610	0,02%
Universal Health Services Inc	11 319	0,00%
Valero Energy Corp	1 088 419	0,03%

	Ventiv Inc	
	Viacom Inc Class B	
	Wells Fargo & Co	
	Western Digital Corp	
	Zoetis Inc	
	Valero Energy Corp	
	Verisign Inc Inc	
	VODAFONE With Country Code GBP	
	Voya Financial Inc	
	Well Glensy Co/The	
	Watson Pharmaceuticals Inc	
	Western Union Co/The	
	Westrock Co	
	William Hill Plc	
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%

189 080	0,00%
671 200	0,01%
299 664	0,01%
7 424 989	0,16%
362 481	0,01%
2 495 720	0,07%
184 819	0,00%
2 442 810	0,06%
1 693 891	0,04%
4 453 483	0,12%
283 749	0,01%
280 750	0,01%
82 501	0,00%
57 221	0,00%
0	0,00%
-----	0,00%
	0,00%



4 IMMOVABLE PROPERTY	25%
4.1 Inside the Republic	25%
Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange	25%
(a)	
(a)(i) Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%
-per issuer	15%
Ascension Prop Ltd	
Afterbury Investment Holdings	
Capital & Counties Property plc	
Fortress Income Ltd	
Growthpoint Property Ltd	
Hyprop Investment Ltd	
Intu Properties	
Investec Bank Ltd	
Maprop Property Fund	
New European Property Investments plc	
Redefine Properties Ltd	
Resilient Property	
Rockcastle Estate	
Vukile Property Fund Ltd	
(a)(ii) Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%
-per issuer	10%
Accelerate Prop Fund	
Arrowhead Properties	
Delta Property Fund Ltd	
Emira Property Fund	
Equities Prop Fund	
Pivotal Fund Ltd	
Robosis Property Fund Ltd	
Threshold Ltd	
(a)(iii) Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%
-per issuer	5%
Olupa Income Fund A	
Falvest	
Hospitality Property Fund A	
Synergy Income Fund	
(b) immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange	15%
- per issuer	5%
4.2 Foreign	25%
Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange	25%
(a)	
(a)(i) Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%
-per issuer	15%
(a)(ii) Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%
-per issuer	10%
(a)(iii) Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%
-per issuer	5%
(b) Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange	15%
- per issuer	5%
Vareit Inc	5%
The Link Reit	5%
Digital Reality Trust Inc	5%
Essex Property Trust Inc	5%

163 396 609	4,76%
162 314 259	4,76%
162 314 259	4,76%
161 557 410	4,22%
4 581 940	0,12%
10 481 142	0,27%
35 018 280	0,83%
33 987 727	0,89%
12 237 482	0,32%
3 051 301	0,08%
20 268 662	0,53%
10 173 935	0,27%
1 780 830	0,05%
4 130 913	0,11%
16 390 627	0,48%
3 116 200	0,08%
1 852 007	0,05%
1 948 455	0,05%
10 394 441	0,27%
4 582 288	0,12%
1 618 573	0,04%
57 165	0,00%
1 609 603	0,04%
1 479 983	0,04%
741 824	0,02%
53 082	0,00%
291 653	0,01%
10 362 408	0,27%
5 204 880	0,14%
210 890	0,01%
1 447 683	0,04%
3 499 685	0,09%
0	0,00%
0	0,00%
1 081 350	0,03%
0	0,00%
0	0,00%
0	0,00%
0	0,00%
0	0,00%
0	0,00%
1 081 350	0,03%
464 780	0,00%
128 833	0,01%
224 871	0,00%
261 788	0,01%

48 531 708	1,21%
46 531 708	1,21%
46 531 708	1,21%
34 789 213	0,91%
9 324 127	0,24%
2 438 306	0,06%
0	0,00%
0	0,00%
0	0,00%
0	0,00%

0	0,00%
0	0,00%
0	0,00%

0	0,00%
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The figure consists of two side-by-side diagrams. The left diagram shows a large rectangle containing two smaller rectangles stacked vertically. Each of these smaller rectangles contains five '0' characters stacked vertically. The right diagram is similar, but the large rectangle contains two smaller rectangles, each containing five '0,00%' characters stacked vertically.

The figure consists of two side-by-side diagrams. The left diagram shows a large rectangle containing two smaller, vertically stacked rectangles. Each of these smaller rectangles contains four '0' characters arranged in a 2x2 grid. The right diagram is similar, but the smaller rectangles contain '0.00%' characters instead of '0's.

3 831 825 778	100,00%
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NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

SCHEDULE 1B - CONTINUED  
ASSETS HELD IN COMPLIANCE WITH REGULATION 28  
As at 31 March 2016

INVESTMENT SUMMARY (REGULATION 28)

	Local R	Percentage of Fair value %	Foreign (Excluding Africa) R	Percentage of Fair value %	Africa R	Percentage of Fair value %	Total R
1 Balances or deposits, money market instruments issued by a bank including Islamic liquidity management financial instruments	176,062,203	4.67%	23,781,353	0.62%	0		202,643,696
2 Debt instruments including Islamic debt instruments	893,561,746	23.32%	0	0.00%	1,009,612	0.03%	894,561,658
3 Equities	1,642,519,330	40.26%	981,888,919	26.10%	0	0.00%	2,804,353,239
4 Immovable property	182,314,259	4.78%	1,081,350	0.03%			183,365,609
5 Commodities	46,631,706	1.21%	0				46,631,706
6 Investment in the business of a participating employer	0						0
7 Housing loans granted to members - section 19(8)	0						0
8 Hedge Funds, private equity funds and any other assets not referred to in this schedule	0		0				0
9 Fair value of assets to be excluded in terms of sub-regulations 3(e) and (8)(b) of Regulation 28	0						0
10 Investments not disclosed/data not available for disclosure	0						0
<b>TOTAL (equal to the fair value of assets)</b>	<b>2,843,916,234</b>		<b>986,899,632</b>		<b>1,009,612</b>		<b>3,831,825,778</b>

Note: Maximum Foreign limits and disclosures in terms of South African Reserve Bank requirements

BREACHES IN TERMS OF SUB REGULATION 3 OF REGULATION 28

As at 31 March 2016

	Total (local & Foreign) R	Percentage of Fair value %	Regulation 28 limits
<b>Asset Limits in terms of sub regulation 3(f)</b>			
Other debt instruments not listed	34,866,567	0.91%	
Equities not listed	2,983,754	0.08%	
Immovable properties not listed	0	0.00%	
Hedge funds, Private Equity funds and other assets	0	0.00%	
<b>TOTAL</b>	<b>37,850,321</b>	<b>0.99%</b>	<b>35</b>
<b>Asset Limits in terms of sub regulation</b>			
Equities not listed	2,983,754	0.08%	
Private Equity funds	0	—	
<b>TOTAL</b>	<b>2,983,754</b>	<b>0.08%</b>	<b>16</b>
<b>Asset Limits in terms of sub-regulation</b>			
Cash and deposits with a South African Bank	176,062,203	4.67%	
Debt instruments guaranteed by a South African Bank	893,461,746	23.32%	
<b>TOTAL</b>	<b>1,072,553,949</b>	<b>27.99%</b>	<b>26</b>

NOTES:

- 1 Credit balance in current accounts must be included in item 1.
- 2 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	Item	% of Fair Value	Fair Value (R)
None			

3. EXEMPTIONS GRANTED BY THE REGISTRAR

Item	Max %	Date of Letter	Expiry Date
None			

## **Schedule IB**

### **Independent auditor's report on assets held in compliance with regulation 28**

#### **To The Board of Trustees**

I have audited Schedule IB "Assets held in compliance with Regulation 28" of the Natal Joint Municipal Pension Fund (Retirement) (the Fund) at 31 March 2016 (the Schedule) for compliance with the requirements of Regulation 28 of the Pension Funds Act of South Africa (the Regulation). My engagement arises from our appointment as auditor of the fund and is for the purpose of assisting the Trustees to report to the Registrar of Pension Funds (the "Registrar").

The information contained in Schedule IB has been extracted from the fund's underlying accounting records that were the subject of our audit engagement on the annual financial statements and forms the subject matter of this engagement. My audit of the annual financial statements of the Natal Joint Municipal Pension Fund (Retirement) for the year ended 31 March 2016 was conducted in accordance with International Standards on Auditing and in our report dated 30 August 2016 I expressed an unmodified opinion on the financial statements, prepared, in all material respects, with the Regulatory Reporting Requirements for Retirement Funds in South Africa.

#### **The Board of Trustees' Responsibility for the Schedule**

The Board of Trustees is responsible for the preparation of the Schedule in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa and in compliance with the Regulation, and for such internal control as the Board of Trustees determines is necessary to enable the preparation of the Schedule that is free from material misstatements, whether due to fraud or error.

#### **Auditor's Responsibility**

My responsibility is to express an opinion based on our audit of the Schedule. 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 about 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 judgement, 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 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.

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, Schedule IB "Assets held in compliance with Regulation 28" at 31 March 2016 by Natal Joint Municipal Pension Fund (Retirement) has been prepared in all material respects in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa and in compliance with the Regulation.

## Restriction on Use

Without modifying my opinion, I draw attention to the purpose of our report as indicated in the introductory paragraph, and the basis of accounting. Consequently, the Schedule and our auditor's report may not be suitable for another purpose.

*Auditor-General*

Pietermaritzburg

30 August 2016



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*