



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

**NAME OF RETIREMENT FUND: KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT
FUND**

**FINANCIAL SECTOR CONDUCT
AUTHORITY REGISTRATION NUMBER: 12/8/32588/1**

For the period: 1 APRIL 2020 to 31 MARCH 2021

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*** Not subject to any engagement by an auditor**

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

SCHEDULE A REGULATORY INFORMATION For the year ended 31 March 2021

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: 01/04/2020 to 31/03/2021
Previous: 01/04/2019 to 31/03/2020

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)
Mr. Dube Xolani	director@njumpf.co.za	C	30.04.2014	
Cllr. Nair Yagabaram	director@njumpf.co.za	E	26.08.2019	
Cllr. Mr. Nyathi Mzwandile Victor	director@njumpf.co.za	E	26.08.2019	
Mr. Lemmer Diederik Arnoldus	director@njumpf.co.za	M	26.08.2019	
Mr. Zama Francis Fanie	director@njumpf.co.za	M	26.08.2019	
Mrs. Buthelezi Minenhle Sikhombiso	director@njumpf.co.za	F	26.08.2019	
Mr. Welcome Mthokozisi Funeka	director@njumpf.co.za	M	26.08.2019	
Mr. Mbuthuma Simo Joseph	director@njumpf.co.za	M	26.08.2019	
Mr. Mthandeni Ebrahim. Ngcobo	director@njumpf.co.za	M	26.08.2019	
Ms. Jojozi Tiny Nosisa	director@njumpf.co.za	F	26.08.2019	
Cllr. Madonsela Bhekisisa David	director@njumpf.co.za	E	26.08.2019	
Ms Joyi Yali Phindugcobe	director@njumpf.co.za	F	26.08.2019	
Cllr. Peer Fawzia	director@njumpf.co.za	E	26.08.2019	

* - '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

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

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

Meeting date	Place of meeting	Quorum (yes/no)
05.06.2020	Westville, KwaZulu-Natal	Yes
26.06.2020	Westville, KwaZulu-Natal	Yes
17.07.2020	Lythwood Lodge, KwaZulu-Natal	Yes
21.08.2020	Westville, KwaZulu-Natal	Yes
18.09.2020	Westville, KwaZulu-Natal	Yes
06.11.2020	Lythwood Lodge, KwaZulu-Natal	Yes
27.11.2020	Westville, KwaZulu-Natal	Yes
15.01.2021	Westville, KwaZulu-Natal	Yes
26.02.2021	Lythwood Lodge , KwaZulu-Natal	Yes
19.03.2021	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:	Bongi Mkhize		Bongi Mkhize
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

	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 st 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:	aels@argen.solutions	pmbrrha@agsa.co.za

	Benefit administrator	Fund consultant
Full name:	KwaZulu Natal Joint Municipal Pension/Provident 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		

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND**REGULATORY INFORMATION - CONTINUED****For the year ended 31 March 2021**

	Investment administrator	Investment advisor
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

	Risk insurer	Custodian and/or nominee
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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

SCHEDULE B

STATEMENT OF RESPONSIBILITY BY THE BOARD OF FUND

For the year ended 31 March 2021

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 KwaZulu-Natal Joint Municipal Provident Fund 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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

STATEMENT OF RESPONSIBILITY BY THE BOARD OF FUND - CONTINUED For the year ended 31 March 2021

These financial statements:

- were approved by the Board of Fund on ;27 September 2021
- 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 2021 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



Mr X. Dube
27 September 2021

BOARD MEMBER



Mr Y. Nair
27 September 2021

BOARD MEMBER



Mr S.J. Mbuthuma
27 September 2021

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

SCHEDULE C

STATEMENT OF RESPONSIBILITY BY THE PRINCIPAL OFFICER

For the year ended 31 March 2021

I confirm that for the period under review the KwaZulu-Natal Joint Municipal Provident Fund 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.

PRINCIPAL OFFICER



Mr B. Mkhize

27 September 2021

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

SCHEDULE D

REPORT OF THE AUDITOR TO THE BOARD OF FUND

Insert the relevant report as indicated in the matrix below:

Schedule	Category	Annexure
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 Fund and the Registrar of Pension Funds on the KwaZulu-Natal Joint Municipal Provident Fund

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Kwazulu-Natal Joint Municipal Provident Fund set out on Annexures F, G and HA which comprise the statement of net assets and funds as at 31 March 2021, 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.
2. In my opinion, the financial statements have been prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa as set out in the financial statements and the requirements of the Pension Funds Act, 1956 (Act No. 24 of 1956) (PFA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the fund in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Basis of accounting

7. The financial statements are prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa as set out in the financial statements and the requirements of the PFA. As a result, the financial statements and related auditor's report may not be suitable for another purpose.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on Annexures A, B, C, E and HB does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the Board of Fund

10. The board of fund are responsible for the preparation of the financial statements for regulatory purposes, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa and the PFA and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the board of fund are responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the board of fund either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

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

Performance information reporting
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14. The fund is not required to prepare a report on its performance against predetermined objectives as it does not fall within the ambit of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) and such reporting is also not required in terms of the entity's specific legislation.

Report on audit of compliance with legislation

Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004), I have a responsibility to report material findings on the fund's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
16. I did not raise any material findings on compliance with specific matters in applicable legislation.

Other information

17. The board of fund is responsible for the other information. The other information comprises the information included in the annual report which includes the statement of responsibility by the Board of the funds and the statement of responsibility by the principal officer. The other information does not include the financial statements and the auditor's report.
18. My opinion on the financial statements and findings on compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
19. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
20. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

21. I considered internal control relevant to my audit of the financial statements and findings on compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. I did not identify any significant deficiencies in internal control.

Other reports

22. I draw attention to the following engagement which had, or could have, an impact on the matters reported in the fund's financial statements and compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on compliance with legislation.

Audit-related services

23. An agreed-upon procedures engagement was performed on compliance with section 15 and regulation 28 of the PFA. The engagement was performed solely to assist the Registrar of pension funds in evaluating whether any instances of non-compliance with the requirements of the relevant sections of the PFA, regulations and rules of the Fund were identified. The report covered the period 1 April 2020 to 31 March 2021 and was issued to the Registrar on 30 September 2021.

Auditor - General

Pietermaritzburg

30 September 2021



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure - Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and on the fund's compliance with respect to the entity specific legislation.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of fund.
 - conclude on the appropriateness of the board of fund' use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause an entity to cease operating as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the board of fund regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the board of fund that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

SCHEDULE E

REPORT OF THE BOARD OF FUND

For the year ended 31 March 2021

1. DESCRIPTION OF THE FUND

1.1. Type of fund

The fund is a provident fund and is a defined contribution fund.

1.2. Benefits

1.2.1. The Fund was established in 1996 as a defined contribution fund and provides lump sum benefits only upon the retirement or death of members based on total accruals in respect of contributions paid by both member and employer, plus profit and interest earned.

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' may choose to contribute at a rate of 5%, 7% or 9.25% 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 1.95 times the rate of members contributions.

1.4. Rules/ amendments

1.4.1. Amendments (period under review)

There were no rule amendments during the year under review.

1.4.2. Revised rules / consolidated rules:

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

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

Investment reserve, Risk reserve – please see note 21.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

REPORT OF THE BOARD OF FUND - CONTINUED

For the year ended 31 March 2021

2. INVESTMENTS

2.1. Investment strategy

The primary objective of the Fund is to maximise the value of retirement benefits of members within defined and acceptable risk parameters. The members bear the investment risk as benefits payable from the fund are dependent on the returns earned on the underlying assets.

A smoothed bonus approach is adopted whereby returns are credited on a monthly interim basis with a final return declared after the financial review of the fund is completed by the Actuary.

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 Fund 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.*

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

REPORT OF THE BOARD OF FUND - CONTINUED

For the year ended 31 March 2021

2.2. Management of investments

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.

PERFORMANCE RESULTS

Year	CPI + 5%	Provident Fund % Return
5 years to 31st March 2021	9.4%	8.1%

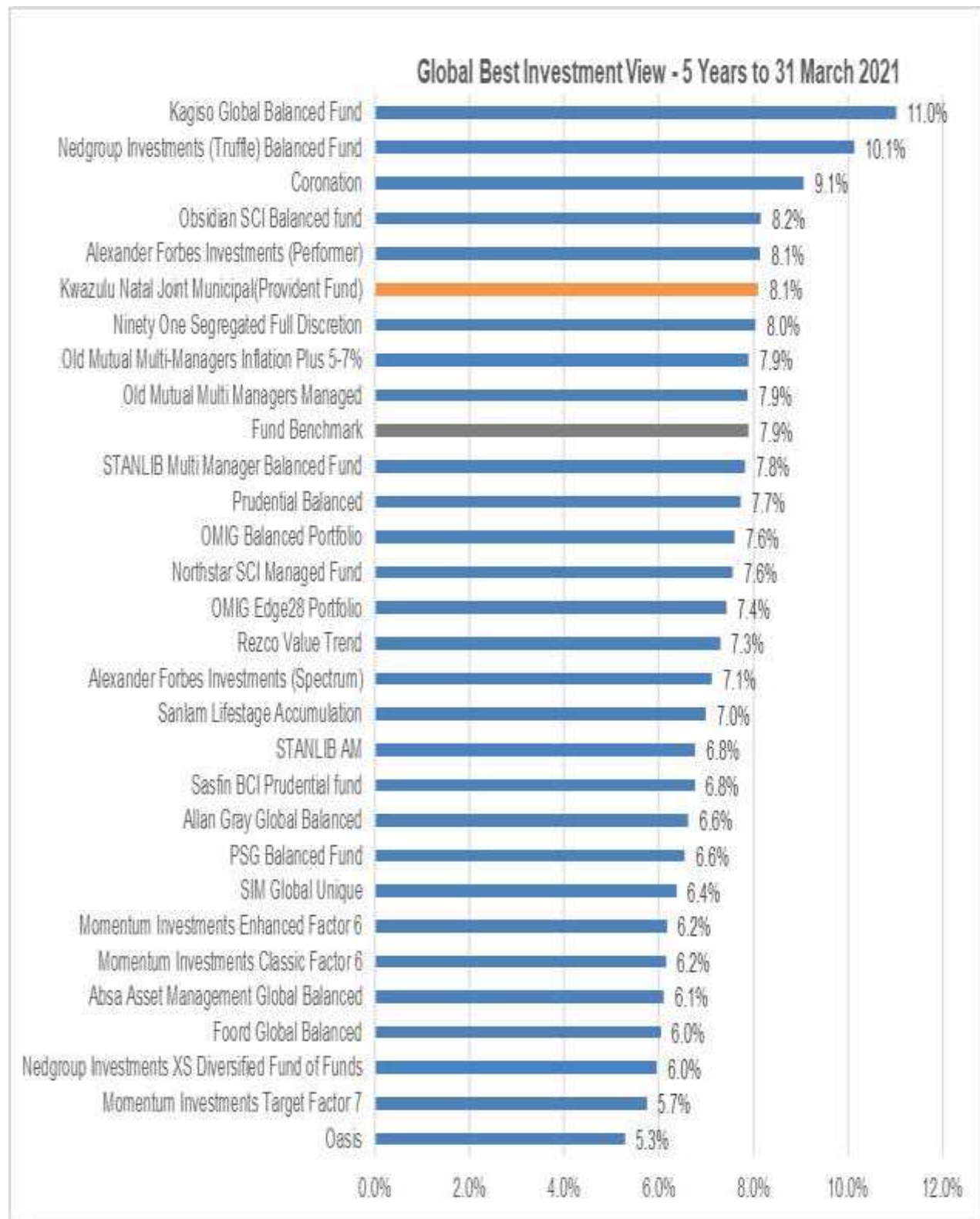
Year	Provident Fund % Return	*Investment Manager Benchmark
5 years to 31st March 2021	8.1%	7.9%

Source: Alexander Forbes

* The Equity benchmark changed from ALSI to Capped SWIX from 1 April 2017

The Provident Fund performed in line with the average manager in the Alexander Forbes Global Large Manager Watch Survey, as shown in the table below.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND



KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

REPORT OF THE BOARD OF FUND - CONTINUED

For the year ended 31 March 2021

3. MEMBERSHIP

	Active members	In-fund Living Annuitants	Unclaimed Benefits
Numbers at beginning of period	17,508	1	43
Adjustments			
Additions	997	1	1
Transfers in			
Transfers out			
Withdrawals	(376)	(1)	
Retirements	(119)		
Retrenchments	-		
Deaths	(192)		
Transfers (from)/to pensioners / deferred pensioners			
Unclaimed Benefit paid			(1)
Numbers at end of period	17,818	1	43
Number at end of period (South African citizen)	17,810		-
Number at end of period (non-South African citizen)	8		-

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. A statutory actuarial valuation was performed as at 31 March 2018, and interim actuarial was performed as at 31 March 2020 and the Valuator reported that the fund was in a sound financial position.

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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

7. INVESTMENTS IN PARTICIPATING EMPLOYERS

The fund holds no direct investments in the participating employer.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
SCHEDULE F
STATEMENT OF NET ASSETS AND FUNDS
At 31 March 2021

	Notes	Mar 2021 R	Mar 2020 R
ASSETS			
Non-current assets		7 360 962 489.64	4 727 365 578.41
Plant and equipment	1	3 625 200.00	4 240 800.00
Investments (including investment and owner occupied properties)	2	7 357 337 289.64	4 723 124 778.41
Housing loan facilities	3	-	-
Surplus improperly utilised receivable	22	-	-
Current assets		186 430 947.22	115 681 773.43
Transfers receivable	5	-	-
Accounts receivable	4	457 539.22	1 992 816.60
Contributions receivable	12	23 334 237.32	2 529 796.30
Cash at bank		162 639 170.68	111 159 159.53
Surplus improperly utilised receivable	22	-	-
Total assets		7 547 393 436.86	4 843 047 349.84
FUNDS AND LIABILITIES			
Members' Funds and surplus account		6 636 824 121.32	4 898 097 815.78
Members' Individual accounts		6 636 824 121.32	4 898 097 815.78
Amounts to be allocated	23	-	-
Member surplus account	21	-	-
Reserves		618 994 759.83	-256 262 940.64
Reserve accounts	21	618 994 759.83	-256 262 940.64
Revaluation reserve: Property, plant and equipment	6	-	-
Total funds and reserves		7 255 818 881.15	4 641 834 875.15
Non-current liabilities		7 412 894.97	6 557 649.31
Employer surplus account	21	-	-
Financial liabilities	16.1	-	-
Provisions	16.2	6 388 688.86	5 706 625.86
Unclaimed benefits	9	1 024 206.11	851 023.45
Current liabilities		284 161 660.74	194 654 825.38
Transfers payable	7	-	8 759 062.71
Benefits payable	8	278 762 179.55	183 313 349.79
Accounts payable	10	5 399 481.19	2 582 412.88
Retirement fund taxation	11	-	-
Contributions payable		-	-
Bank overdraft		-	-
Total funds and liabilities		7 547 393 436.86	4 843 047 349.84

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
SCHEDULE G
STATEMENT OF CHANGES IN NET ASSETS AND FUNDS
For the year ended 31 March 2021

	Notes	A	B	A + B	
		Members' individual accounts & amounts to be allocated/	Reserves	Total	Total
		Accumulated funds	Refer notes 6 and 21	Mar 2021	Mar 2020
		R	R	R	R
Contributions received and accrued	12	788 005 559.09	153 335 692.84	941 341 251.92	845 771 598.28
Contributions transferred from reserve accounts	21	-	-	-	-
Contributions transferred from surplus accounts	21	-	-	-	-
Surplus improperly utilised	22	-	-	-	-
Reinsurance proceeds		-	-	-	-
Net investment income	13	-	2 040 329 783.62	2 040 329 783.62	-720 232 096.26
(less) Allocated to unclaimed benefits		-	73 913.75	73 913.75	28 668.18
Other income (<i>provide details</i>)	13.1	-	-	-	-
Less:		-	40 287 661.68	40 287 661.68	38 751 946.10
Re-insurance premiums		-	-	-	-
Administration expenses	14	-	40 287 661.68	40 287 661.68	38 751 946.10
Retirement fund taxation	11	-	-	-	-
Net income/(loss) before transfers and benefits		788 005 559.09	2 153 303 901.03	2 941 309 460.11	86 758 887.74
Transfers and benefits		-255 039 762.13	-72 285 691.98	(327 325 454.11)	(286 521 146.57)
Transfers from other funds	5	-	-	-	456 363.24
Transfers to other funds	7	1 172 119.40	(174 957.45)	997 161.95	(10 200 418.61)
Benefits	8	(256 211 881.53)	(72 110 734.53)	(328 322 616.06)	(276 777 091.20)
Net income/(loss) after transfers and benefits (carried forward)		532 965 796.96	2 081 018 209.05	2 613 984 006.00	(199 762 258.83)

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
STATEMENT OF CHANGES IN NET ASSETS AND FUNDS - CONTINUED
For the year ended 31 March 2021

	Notes	A Members' individual accounts & amounts to be allocated/ Accumulated funds R	B Reserves Refer Notes 6 & 21 R	A + B Total Mar 2021 R	Total Mar 2020 R
Net income/(loss) after transfers and benefits (brought forward)		532 965 796.96	2 081 018 209.05	2 613 984 006.00	-199 762 258.83
Funds and reserves		4 898 097 815.78	(256 262 940.64)	4 641 834 875.15	4 841 597 133.98
Balance at beginning of period		4 898 097 815.78	(256 262 940.64)	4 641 834 875.15	4 841 597 133.98
Prior period adjustments	15				-
		5 431 063 612.74	1 824 755 268.41	7 255 818 881.15	4 641 834 875.15
Transfer between reserve accounts	21	-378 743 564.98	378 743 564.98	-	-
Investment return allocated		1 584 504 073.56	-1 584 504 073.56	-	-
Current members		1 584 504 073.56	-1 584 504 073.56	-	-
Former members		-	-	-	-
Surplus and reserve accounts	21	-	-	-	-
Surplus apportionment	21	-	-	-	-
Revaluation surplus: Property, plant and equipment	6	-	-	-	-
		6 636 824 121.32	618 994 759.83	7 255 818 881.15	4 641 834 875.15
Transfer between reserve accounts		-	-	-	-
Employer surplus account		-	-	-	-
Member surplus account		-	-	-	-
		6 636 824 121.32	618 994 759.83	7 255 818 881.15	4 641 834 875.15
Allocations to/from surplus accounts		-	-	-	-
Benefits to former members		-	-	-	-
Surplus transfers payments		-	-	-	-
Benefit enhancements - other		-	-	-	-
Surplus transfers received		-	-	-	-
Balance at end of period		6 636 824 121.32	618 994 759.83	7 255 818 881.15	4 641 834 875.15

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES

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

Basis of preparation

The financial statements are prepared for regulatory purposes in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, the rules of the Fund, and the provisions of the Pension Funds Act in South Africa.

The financial statements are prepared on the historical cost and going concern 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. The remaining plant and equipment is stated at historical cost less depreciation. Increases in the carrying amount arising on revaluation are credited to the Statement of Changes in net Assets and Funds.

* Decreases that offset previous increases of the same asset are charged to the Statement of Changes in Net Assets and Funds.

* 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

* Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Impairment losses are recognised in the Statement of Changes in Assets and Funds

* 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 income or loss before transfers and benefits.

* 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 instrument 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 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.

* Recognition

* 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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

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 closing 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

Listed Bills and 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 consists 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 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.

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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Insurance policies - linked or market-related policies

If the policy is unitised, the value is equal to the market value of the underlying units. Other linked or market-related policies are valued at the market value of the underlying assets for each policy, in line with the 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, plus directly attributable transaction costs other than those classified at fair value through Statement of Changes in Net Assets and Funds.

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.

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 income or loss before transfers and benefits for the period. Investment properties are not subject to depreciation.

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.

Accounts receivable

Accounts receivable originated by the Fund are measured initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Cash at bank

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

Accounts payable

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

Impairment

Financial assets are carried at amortised cost.

The fund assesses at each statement of net 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 asset's 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 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.

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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Contributions

Contributions are measured at the fair value of the consideration received or receivable, and are accrued and recognised in accordance with the 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 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.

Investment income

- * Interest is recognised 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 on subsequent measurement to fair value of investments and of all other financial instruments are recognised in the statement of changes in net assets and funds, during the period in which the change arises.
- * All income derived from script lending is included in the statement of net changes in assets and funds.
- * Expenses in respect of the management of investments are recognised as the service is rendered.

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 of value that can be measured with reliability.

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 a 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, changes in accounting estimates and errors

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

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

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;
- * Provisions 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.

Transfers to and from the Fund

Section 14 transfers to or from the Fund are recognised on the date of approval being granted by the Financial Sector Conduct Authority. Individual transfers are recognised at the values per the section 14 application or the value of the transfer at effective date of the transfer, adjusted for investment return or late payment interest as guided by the application.

Comparatives

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

Foreign transactions policy

In preparing the financial statements of the Fund, transactions in currencies other than the Fund's functional currency which is SA Rands, (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined.

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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2021

1	Plant and equipment						
1.1	Current period	A	B	C	D	E	A+B+C+D+E
		Plant	Computer equipment & software	Office equipment	Furniture and fittings	Land and buildings	Total
		R	R	R	R	R	R
Gross carrying amount							
At beginning of period		-	-	-	-	4 240 800.00	4 240 800.00
Additions		-	-	-	-	-	-
Disposals		-	-	-	-	-	-
Revaluation reserve (note 6)		-	-	-	-	-	-
Other movements		-	-	-	-	(615 600)	(615 600)
At end of period		-	-	-	-	3 625 200.00	3 625 200.00
Accumulated depreciation and impairment							
At beginning of period		-	-	-	-	-	-
Depreciation charges		-	-	-	-	-	-
Accumulated depreciation on disposals		-	-	-	-	-	-
Impairment		-	-	-	-	-	-
Other movements		-	-	-	-	-	-
Net carrying amount at end of period		-	-	-	-	3 625 200.00	3 625 200.00

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. Effective date of revaluation 31 March 2020.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2021

1 Plant and equipment - continued

1.2 Previous period

	A	B	C	D	E	A+B+C+D+E
	Plant	Computer equipment and software	Office equipment	Furniture and fittings	Land & buildings	Total
	R	R	R	R	R	R
Gross carrying amount						
At beginning of period	-	-	-	-	4 240 800.00	4 240 800.00
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluation reserve (note 6)	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
	-	-	-	-	-	-
At end of period	-	-	-	-	4 240 800.00	4 240 800.00
Accumulated depreciation and impairment						
At beginning of period	-	-	-	-	-	-
Depreciation charges	-	-	-	-	-	-
Accumulated depreciation on disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
	-	-	-	-	-	-
Net carrying amount at end of period	-	-	-	-	4 240 800.00	4 240 800.00

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

2 Investments
2.1 Investment summary

	A	B	A+B			
	Local	Foreign	Total	Total	Fair value	Amortised cost
			Mar 2021	Mar 2020	Current period	Current period
	R	R	R	R	R	R
Cash	143 309 583.90	-	143 309 583.90	220 947 544.28	143 309 583.90	-
Commodities	45 290 702.56	-	45 290 702.56	51 204 221.43	45 290 702.56	-
Debt Instruments including Islamic debt instruments	1 669 678 719.51	-	1 669 678 719.51	1 137 056 706.30	1 669 678 719.51	-
Investment properties and Owner occupied properties	70 182 305.90	-	70 182 305.90	99 346 854.43	70 182 305.90	-
Equities (including demutualisation shares)	3 143 303 148.92	-	3 143 303 148.92	3 039 294 012.61	3 143 303 148.92	-
Insurance policies	-	-	-	-	-	-
Collective investment schemes *	76 672 167.21	2 173 320 432.06	2 249 992 599.27	-	2 249 992 599.27	-
Hedge funds	-	-	-	-	-	-
Private equity funds	-	-	-	-	-	-
Investment in participating employer(s)	-	-	-	-	-	-
Derivative Market instruments	-	-	-	-	-	-
Other assets	35 580 229.58	-	35 580 229.58	175 275 439.35	35 580 229.58	-
Total investments	5 184 016 857.58	2 173 320 432.06	7 357 337 289.64	4 723 124 778.41	7 357 337 289.64	-

* In the prior year, the investment in collective investment schemes was reported within the respective asset categories based on the underlying assets held by the collective investment schemes at 31 March 2020.

In the current year, the investment in units in the collective investment schemes are reported within the Collective investment schemes asset category in line with the regulatory reporting requirements for retirement funds.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

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	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

2 Investments - continued

2.3 Investment properties and Owner Occupied Investments

2.3.1 Current Period

[illegible]

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

2.3.2 Previous Period

[illegible]

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

3 Housing loan facilities
3.1 Housing loans

	A	B	C	D	E	A+B-C+D+/-E
	At beginning of period	Granted	Repaid	Interest capitalised	Other adjustments	At end of period
	R	R	R	R	R	R
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 810 members of the fund. The guarantees amounted to R83 558 348.97
- 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 2021 R	Mar 2020 R
Medical board fees	40 690.00	6 114.00
Late payment interest on contributions	146 504.97	72 153.00
Prepaid expenses	270 344.25	261 954.00
Sundry debtors	-	5 378 835.00
Refunds of pension over-payments	-	-
Pensionable service debtors	-	-
TOTAL	457 539.22	5 719 056.00

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

5 Transfers from other funds/ Transfers receivable

	Effective date	No. of members	Applied for not yet approved (contingency) R	A	B	C	D	A+B+C-D
				At beginning of period	Transfers approved	Return on transfers	Assets transferred	At end of period
				R	R	R	R	R
Total transfers in terms of section 14*								
NJMPF [R]		-	-	-	-	-	-	-
NJMPF [S]		1	490 496.21	-	-	-	-	-
Other (GEPP)		-	-	-	-	-	-	-
Total transfers in terms of section 15B/ 15E/ 15F*		-	-	-	-	-	-	-
Individual transfers	01/04/2020	to	-	-	-	-	-	-
Consolidated Retirement Fund for Local Government	31/03/2021		-	-	-	-	-	-
ACSA Retirement Fund		-	-	-	-	-	-	-
Total Prospective approvals in terms of section 14*		-	-	-	-	-	-	-
Total		1	490 496.21	-	-	-	-	-
Transfers approved (B)		-						
Return on transfers (C)		-						
Statement of changes in net assets and funds		-						

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

6	Revaluation reserve - Property, plant and equipment	Mar 2021 R	Mar 2020 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) R	At beginning of period R	Transfers approved R	Return on transfers R	Assets transferred R	At end of period R
<hr/>								
Total transfers in terms of section 14*								
NJMPF(S)		5	411 605.46	-	-	-	-	-
KZN Transfers		13	1 869 004.86	6 890 057.85	-1 027 826.82	30 664.87	5 892 895.90	-
Transfers in terms of section 15B/15E/15F	01/04/2020 to 31/03/2021	-	-	-	-	-	-	-
Individual transfers		-	-	-	-	-	-	-
Total Prospective approvals in terms of section 15B/15E/15F		-	-	-	-	-	-	-
Total		18	2 280 610.32	6 890 057.85	-1 027 826.82	30 664.87	5 892 895.90	-
<hr/>								
Transfers approved (B)					-1 027 826.82			
Return on transfers (C)					30 664.87			
Statement of Changes in Net Assets and Funds					-997 161.95			

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

8 Benefits
8.1 Benefits – current members

	A At beginning of period R	B Benefits for current period R	C Return allocated R	D Payments R	E Transferred to unclaimed benefits R	A+B+C-D-E At end of period R
Monthly pensions	-	-	-	-	-	-
Lump sums on retirements						
Full benefit	27 029 220.93	67 939 763.74	705 226.88	59 074 127.11	-	36 600 084.44
Pensions commuted						-
Lump sums before retirement						
Disability benefits						-
Death benefits	103 926 575.38	126 135 332.29	4 282 946.18	45 854 151.36	-	188 490 702.49
Withdrawal benefits	52 357 853.48	115 909 055.30	2 442 593.38	119 241 175.11	-	51 468 327.05
Retrenchment benefits	-	-	-	-	-	-
Minimum benefit payments made in terms of section 15	-	-	-	-	-	-
Defaults - housing loan facilities	-	1 067 816.15	-	1 067 816.15	-	-
Divorce payments	-	9 428 276.68	-	9 505 821.43	-	(77 544.75)
Other	1 869 004.86	267 312.88	144 292.58	-	-	2 280 610.32
Total (8.1)	185 182 654.65	320 747 557.04	7 575 059.02	234 743 091.16	-	278 762 179.55
Benefits for current period (B)	320 747 557.04					
Return allocated (C)	7 575 059.02					
Statement of changes in net assets and funds	328 322 616.06					

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

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	-	-	-	-	-	-
Total benefits (8.2)	-	-	-	-	-	-
Surplus allocated (B)	-					
Return allocated (C)	-					
Statement of changes in net assets and funds	-					
Total benefits (8.1 + 8.2)	185 182 654.65	320 747 557.04	7 575 059.02	234 743 091.16	-	278 762 179.55

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

9 Unclaimed benefits

	Mar 2021 R	Mar 2020 R
At beginning of period	851 023.45	777 187.00
Transferred from benefits payable	97 766.35	45 010.59
Adjustments	-	-
Investment income allocated	73 913.75	28 668.18
Less:	1 502.56	157.68
Tracing expenses	-1 802.56	(4 013.33)
Administration expenses	-	-
Other expenses	-	-
Benefits paid	300.00	3 855.65
Transferred to unclaimed benefits fund	-	-
Balance at end of period	1 024 206.11	851 023.45

10 Accounts payable

	Mar 2021 R	Mar 2020 R
Actuary's fees	-	-
Administration expenses	-	-
Fund managers	-	-
Contributions refundable	-	-
Benefit related payables	-	-
Sundry creditors	5 399 481.19	2 582 412.88
Unpaid pensions	-	-
	5 399 481.19	2 582 412.88

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

	Mar 2021 R	Mar 2020 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	-	-
At end of period	-	-

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

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	857 911.83	319 393 992.06	-	312 338 729.92	7 913 173.97
Employer contributions - received and accrued	1 194 845.27	468 573 748.89	-	458 747 626.54	11 020 967.62
Additional contribution in respect of risk reserve	477 039.20	153 335 692.84	-	149 412 636.31	4 400 095.73
Additional voluntary contributions – employer	-	-	-	-	-
Additional voluntary contributions – members	-	37 818.14	-	37 818.14	-
Other (Excessive increases)	-	-	-	-	-
Total	2 529 796.30	941 341 251.92	-	920 536 810.90	23 334 237.32
Towards retirement	941 341 251.92				
Toward re-insurance and expenses	-				
Statement of changes in net assets and funds	941 341 251.92				

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

13	Net investment income	Mar 2021	Mar 2020
		R	R
Income from investments		237 556 684.60	215 969 183.72
Dividends		92 224 378.69	84 263 685.00
Interest		145 332 305.91	131 703 618.35
Rentals		-	1 880.37
Collective investment schemes distribution		-	-
Income from insurance policies		-	-
Interest on late payment of contributions		1 628 563.77	861 419.56
Interest levied on surplus improperly utilised		-	-
Adjustment to fair value		1 830 853 456.17	(913 405 116.67)
Profit/loss on disposal of investments		96 766 002.05	42 582 021.7
Investments written up/down		1 734 087 454.12	(955 987 138.36)
Less: Expenses incurred in managing investments		(29 708 920.92)	(23 567 582.87)
Less: Interest paid on borrowings		-	-
Total		2 040 329 783.62	(720 142 096.26)

13.1	Other income	Mar 2021	Mar 2020
		R	R
Bad debts recovered		-	-
Other		-	-
		-	-

14	Administration expenses	Notes	Mar 2021	Mar 2020
			R	R
Actuarial fees			804 165.10	617 033.08
Administration fees			3 202 012.16	3 902 905.67
Audit fees				
Audit services			943 819.32	902 538.87
Expenses			-	-
Other			-	-
Bad debts written off			-	-
Consultancy fees			1 656 491.16	4 262 445.25
Depreciation - at cost			-	-
Depreciation - at revaluation			-	-
Fidelity Insurance			243 036.75	193 271.58
Levies			394 204.12	346 952.46
Other			720 975.99	(436 359.36)
Actuarial adjustment			720 975.99	(436 359.36)
Member communication			1 464 718.53	2 020 628.03
Office expenses			1 707 552.97	1 352 387.95
Operating lease payments			-	-
Penalties			-	-
Principal officer expenses	14.3		2 683 378.05	3 020 025.54
Project costs			-	1 526 118.47
Staff expenses	14.2		24 913 556.92	18 531 054.89
Secretarial fees			-	-
Board of Fund expenses	14.1		1 553 750.61	2 512 943.67
Less: Amount allocated to unclaimed benefits	9		-	-
Total			40 287 661.68	38 751 946.10

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

14 Administration expenses - continued

14.1 Board of Fund expenses

	Mar 2021	Mar 2020
	R	R
Remuneration	-	-
Meeting allowances	652 571.97	731 596.41
Expenses	901 178.64	1 781 347.26
Other payments	-	-
Total	1 553 750.61	2 512 943.67

14.2 Staff expenses

	Mar 2021	Mar 2020
	R	R
Remuneration	21 016 212.55	15 207 541.25
Contributions to retirement fund	3 169 359.79	2 276 852.80
Training expenses	185 147.75	650 562.53
Other payments	542 836.83	396 098.31
Total	24 913 556.92	18 531 054.89

14.3 Principal Officer expenses

	Mar 2021	Mar 2020
	R	R
Fees as Board member	-	-
Remuneration	2 089 049.46	1 978 695.07
Allowances	-	-
Contributions to retirement fund	370 713.75	356 165.11
Bonus	223 614.83	685 165.36
Other payments	-	-
Total	2 683 378.05	3 020 025.54

15 Prior period adjustment

	Mar 2021	Mar 2020
	R	R
Nil	-	-
	-	-

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

16 Financial liabilities and provisions

16.1 Financial liabilities

	Mar 2021	Mar 2020
	R	R
Nil	-	-
TOTAL	-	-

16.2 Provisions

	Mar 2021	Mar 2020
	R	R
Actuary's fees	420 555.00	396 419
Accumulated leave	1 365 115.77	1 242 690
Staff bonus	3 663 601.01	3 155 174
Audit fees	939 417.08	912 343
Consulting fees	-	-
TOTAL	6 388 688.86	5 706 626

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.

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

• **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 R2 683 378.05 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 members of the fund incurred expenses to the amount of R1 553 750.61 during the current financial period.

20 Operating lease commitments

	Mar 2021 R	Mar 2020 R
Future minimum operating lease payments		
Within one year	-	-
Between one and five years	-	-
After five years	-	-
TOTAL	-	-

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

21 Surplus and reserve accounts

[illegible]

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

21 Surplus and reserve accounts (continued)

			A+B+C+D+E+F	A	B	C	D	E	F
	Member/ pensioner surplus account	Employer surplus account	Reserve Accounts	Employer protection reserve	Contingency reserve	Investment reserve	Risk reserve	Pensioner reserve	Other reserves
	R	R	R	R	R	R	R	R	R
Administration expenses	-	-	40 287 662	-	-	-	40 287 662	-	-
Retirement fund taxation	-	-	-	-	-	-	-	-	-
Net income before transfers and benefits	-	-	1 897 040 961	-	-	1 701 010 618	196 030 342	-	-
Transfers and benefits	-	-	-72 285 692	-	-	-8 065 497	-64 220 195	-	-
Transfers from other funds	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-174 957	-	-	-	-174 957	-	-
Benefits	-	-	-72 110 735	-	-	-8 065 497	-64 045 238	-	-
Net income after transfers and benefits (carried forward)	-	-	1 824 755 269	-	-	1 692 945 121	131 810 147	-	-
Transfer between reserve accounts	-	-	378 743 565	-	-	435 154 577	-56 411 012	-	-
Net investment return	-	-	-1 584 504 074	-	-	-1 584 504 074	-	-	-
Benefit enhancement – pensioners	-	-	-	-	-	-	-	-	-
Contribution holiday – after surplus apportionment	-	-	-	-	-	-	-	-	-
Contribution holiday – before surplus apportionment	-	-	-	-	-	-	-	-	-
At end of period	-	-	618 994 760	-	-	543 595 624	75 399 135	-	-

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

22 Surplus improperly utilised receivable

	Mar 2021	Mar 2020
	R	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

	Mar 2021	Mar 2020
	R	R
Surplus to be apportioned	-	-
Investment return to be allocated	-	-
Other	-	-
Total amounts to be allocated	-	-

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

Registration number: 12/8/32588

For the year ended 31 March 2021

SCHEDULE HB

REPORT OF THE VALUATOR

PARTICULARS OF FINANCIAL CONDITION OF THE FUND

The statement below is based on the statutory actuarial valuation as at 31 March 2018 that has been accepted by the Financial Sector Conduct Authority on 4 November 2019.

1. Net assets available for benefits ^(a): **R4 105 682 000**
2. The actuarial value of the net assets available for benefits, for the purposes of comparison with the actuarial present value of promised benefits: **R4 105 682 000**
3. The actuarial present value of promised benefits ^(b), split into vested ^(c), and non-vested benefits at: **R3 886 728 000 – all vested**
4. Contingency reserve account allocations that were recommended in the actuarial valuation report:
Risk Reserve: R23 071 000
Investment Reserve: R272 071 000
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:

This is a defined contribution fund where investment earnings are allocated to Member Shares each month based on a smoothed bonus approach. Upon exit from the Fund a proportionate share of the Investment Reserve is paid to the Member.

The Risk Reserve is maintained in order to give some protection against fluctuations in mortality experience of the members (the Fund self insures the lump sum death benefit). Using the formulae set out in paragraph 4.4 of Circular PF117 a Risk Reserve of R 23.071 million is held.

The assumptions underlying the calculation of the Risk reserve are:

Mortality: Fund specific

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:

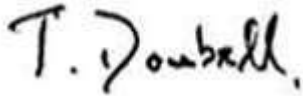
See paragraph 5.

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

N/A

8. At the valuation date the Fund's liabilities exceeded the market value of assets by R 76 188 000, or about 1.8%. This is a feature of the smoothed bonus approach followed by the Fund. The Fund was not in a sound financial position as at 31 March 2018 but has automatically returned to a sound financial position by 30 June 2018 by declaring lower bonuses than the investment earnings over the three months following the valuation date.

Prepared by me:



TOMMIE DOUBELL (FFA FASSA CFP®)

VALUATOR

In my capacity as an actuary of SNG ARGEN Actuarial Solutions

Primary professional regulator: Actuarial Society of South Africa

24 August 2021

Notes

For the purposes of this summary of 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 benefits.
- (b) The actuarial present value of promised 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.

SCHEDULE I

REPORT OF THE AUDITOR OF THE KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND OF FACTUAL FINDINGS TO THE BOARD OF FUND AND THE REGISTRAR OF PENSION FUNDS

We 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 KwaZulu-Natal Joint Municipal Provident Fund (the "Fund") for the year ended 31 March 2021. Our 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

Our procedures performed are set out in the numbered paragraphs (not bold) 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 2021.

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

Restriction on use and distribution

Our 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 September 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Procedures and Findings

	Procedures	Findings
	Statement of Net Assets and Funds	
1	Investments	
1.1	Inspect the list of investment balances reflected in the general ledger of the Fund as at 31 March 2021 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 administrator(s), 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.

	Procedures	Findings
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.
1.2.2	Inspect whether the investment mandate and the investment policy statement provide for securities lending transactions and investments in hedge funds, private equity funds and derivatives, as prescribed.	The investment mandate and the investment policy statement did provide for investments in derivatives and securities lending transactions as prescribed. Investments in hedge funds and private equity funds are not provided for in the investment policy statement or investment mandates.
1.2.3	Inspect whether the collateral and counterparty requirements as prescribed are complied with.	The collateral and counterparty requirements were complied with.
1.2.4	For segregated portfolios, confirm directly with the investment administrator(s): (a) whether scrip lending took place during the [period/year] and, if so, (b) whether there was collateral provided by the counterparty/(ies) 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 739,816,528 as at 31 March 2021, and (b) collateral was provided by the counterparties for all scrip lending activities; and (c) The exposure was covered at 123% by the collateral held.
2	Member individual accounts (defined contributions funds as well as defined contribution section of hybrid funds)	

	Procedures	Findings
2.1	Obtain a list of member individual accounts as reflected on the Statement of Net Assets and Funds as at 31 March 2021.	Obtained a list of member individual accounts as reflected on the Statement of Net Assets and Funds as at 31 March 2021.
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:	
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).	The member and employer 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 April 2020, September 2020 and March 2021.
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).	The member and employer contribution rates for the members selected as reflected on the administrator's system agreed to the rules of the Fund for the three months selected April 2020, September 2020 and March 2021.

	Procedures	Findings
2.2.3	In respect of unitised 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. KwaZulu-Natal Joint Municipal Provident Fund does not have unitised investment products.
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. KwaZulu-Natal Joint Municipal Provident Fund does not have unitised investment products.
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. KwaZulu-Natal Joint Municipal Provident Fund does not have unitised investment products.

	Procedures	Findings
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.	The interim and final return allocated to each individual member's account in the administrator's records agreed to the return approved in accordance with an approved recommendation by the fund valuator.
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. There were no investment portfolio switches.
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. There were no investment portfolio switches.

	Procedures	Findings
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. There were no investment portfolio switches.
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. The assets underlying the Member share account, risk and expenses reserve account and Investment reserve account are invested in the general assets of the fund and no separate allocation is made for any specific group of members.
2.4.1	Compare the investments per product on the ALM reconciliation to the investment certificates in total.	Not Applicable.
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.
2.4.3	Inspect whether the total mismatch (in Rand) for all portfolios was within the range as prescribed by the Registrar.	Not Applicable.

	Procedures	Findings
3	Accumulated funds (for defined benefit funds as well as defined benefit sections of hybrid funds)	
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:	Not applicable. KwaZulu-Natal Joint Municipal Provident Fund is a defined contribution fund
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 [period/year] under review).	Not Applicable.
4	Surplus apportionment scheme	
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 payment 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.

	Procedures	Findings
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.
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.
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.
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.
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.

	Procedures	Findings
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.
5	Member and employer surplus accounts	
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.
6	Reserves	
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 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, risk and contribution reserve account held by the Fund and reflected in the actuarial valuation were in accordance with the registered rules of the Fund.

	Procedures	Findings
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, risk, contribution reserve as disclosed in the annual financial statements were permitted in terms of the registered rules of the Fund and/or the Act.
7	Other assets, liabilities and guarantees	
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 year-end date, and perform the following procedure:	Not applicable. No housing loans have been granted by the Fund.
7.1.1	Agree the total housing loans on the above list to the corresponding account in the annual financial statements.	Not Applicable.
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. No housing loans have been granted by the Fund.
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.
7.2.2	Inspect evidence that the housing loan has been granted in terms of Section 19(5) (a).	Not Applicable.
7.2.3	Inspect evidence that repayments are being made in accordance with the housing loan agreement.	Not Applicable.

	Procedures	Findings
7.2.4	Inspect the interest charged on the outstanding housing loan and compare the rate used to the prescribed rate.	Not Applicable.
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.
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 the 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.	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 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 2021 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(5)B.	Not Applicable. No other loans have been granted by the Fund.

	Procedures	Findings
	Statement of Changes in Net Assets and Funds	
8	Contributions	
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:	
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.
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.
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 [period/year-end] from a list supplied by the Fund/administrator and perform the following procedure:	Selected a sample of participating employers with arrear which reflect arrear contributions at year-end and performed the following:

	Procedures	Findings						
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.	<p>Amounts disclosed as arrear contributions at year-end have not been paid to the Fund within the prescribed period in accordance with the requirements of section 13A of the Act.</p> <p>Amounts that were received after the prescribed period were as follows:</p> <table border="1"> <thead> <tr> <th>Municipality name</th><th>Amount</th><th>Date of receipt</th></tr> </thead> <tbody> <tr> <td>Nongoma Municipality</td><td>R311,988.52</td><td>08/04/2021</td></tr> </tbody> </table>	Municipality name	Amount	Date of receipt	Nongoma Municipality	R311,988.52	08/04/2021
Municipality name	Amount	Date of receipt						
Nongoma Municipality	R311,988.52	08/04/2021						
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 perform the following procedures:						
9.1.1	Compare the list to the respective general ledger benefit expense accounts reconciliation.	The list has 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.						

	Procedures	Findings
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.
9.2.3	<p><u>For a defined benefit fund and hybrid funds with a defined benefit underpin</u></p> <p>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></p> <p>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></p> <p>Not applicable</p> <p><u>For a defined contribution fund</u></p> <p>The opening fund credit for the member agreed to the opening fund credit report and contributions were added every month until the date of exit. The balance paid out to the member (inclusive of late payment interest where applicable) agreed to the fund credit report or administration system as at the date of exit.</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 and performed the following procedure:

	Procedures	Findings
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	Agree the sample of section 14 transfers to and from the Fund to: a) the section 14(1) documentation as approved by the Registrar in respect of each transfer; and/or b) the section 14(8) documentation as prescribed.	The sample of section 14 transfers from the Fund agreed to: a) the section 14(1) documentation as approved by the Registrar in respect of each transfer.

	Procedures	Findings
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.	The transfers from the Fund were received/paid within 60 days of Registrar approval for section 14(1) transfers and growth and investment return was allocated from the effective date of transfer to the date of final settlement.
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. KwaZulu-Natal Joint Municipal Provident Fund is not a unitised fund.
10.3	Individual transfers Obtain the list of individual transfers throughout the year ended 31 March 2021, 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
10.3.1	Agree the transfers to the approved recognition of transfer documentation.	Not applicable.

	Procedures	Findings
10.3.2	For individual transfers in selected 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.
11	Pensioners paid	
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:	Not applicable. The Fund does not have pensioners.
11.1.1	Agree the total pensions paid for the year ended 31 March 2021 to the corresponding account reconciliation to the general ledger balance.	Not Applicable.
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:	Not applicable. The Fund does not have pensioners.
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.

	Procedures	Findings
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. The Fund does not have any purchased 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.
	General	
12.1	Inspect evidence that the Fund's fidelity insurance cover was in place throughout the year ended 31 March 2021, 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 2021, the Fund's fidelity insurance cover extended after year-end. The subsequent fidelity insurance cover extended to 28 February 2022.
12.2	Confirm with the Fund's GLA insurer as to whether the GLA policy has lapsed at year ended 31 March 2021.	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 2018 and perform the following procedures:	

	Procedures	Findings
12.3.1	Report the funding status of the Fund per the report (whether the Fund was under-funded or fully funded).	Per the latest statutory actuarial valuation, 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.	Not applicable. A scheme in terms of section 18 of the Act in South Africa was not required.

Investments¹

		A	B	C	D	E	A+B+C+D+E V+W+X	V	W	X	W +X		Y	Z	V+W+X+Y+Z
	Notes ²	Direct Investments	Non- compliant Collective investment schemes	Non- compliant Insurance Policies	Derivative positions without residual risk	Compliant Investments	Total	Local	Foreign	Foreign Africa	Total Foreign	Total percentage Foreign Exposure	Derivative positions with residual risk	Reconciling items between Schedule IB and	TOTAL as per Regulation 28 (Schedule IB)
			Note M1	Note M2	Note G1								Note G2		
		R	R	R	R	R	R	R	R	R	R	%	R	R	R
Cash (including cash at bank)	A	305 948 755	82 485 290	0	0	0	388 434 045	305 948 755	82 485 290	0	82 485 290	1.10%	0.00	0.00	388 434 045
Commodities	B	45 290 703	0	0	0	0	45 290 703	45 290 703	0	0	0	0.00%	0.00	0.00	45 290 703
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	1 669 678 720	0	0	0	0	1 669 678 720	1 669 678 720	0	0	0	0.00%	0.00	0.00	1 669 678 720
Investment Properties and owner occupied properties	D	70 182 306	8 384 017	0	0	0	78 566 323	70 182 306	8 384 017	0	8 384 017	0.11%	0.00	0.00	78 566 323
Equities	E	3 143 303 149	1 995 743 588	0	0	0	5 139 046 737	3 143 303 149	1 995 743 588	0	1 995 743 588	26.54%	0.00	0.00	5 139 046 737
Derivative Market Instruments	G		-	0.00	0.00	0.00	-	-	-	0.00	-	0.00	0.00	0.00	0.00
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	35 580 230	86 707 537	0	0	0	122 287 766	35 580 230	86 707 537	0	86 707 537	1.15%	0.00	0.00	122 287 766
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	0.00%	0.00	0.00	0
Collective Investment Schemes		0	0	0	0	76 672 167	76 672 167	76 672 167	0	0	0	0.00%	0.00	0.00	76 672 167
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) ³		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
TOTAL INVESTMENTS		5 269 983 861	2 173 320 432	0	0	76 672 167	7 519 976 460	5 346 656 028	2 173 320 432	0	2 173 320 432	28.90%	nn	0.00	7 519 976 460

Notes:

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

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

A CASH

Instrument	Fair value R
Local	
Notes, deposits, money market instruments issued by a South African Bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments	305 948 754.58
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	298 700 961.84
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	-113 588.33
Any positive net balance in a margin account with an exchange List issuers/entities which exceeds 5% of total assets	7 361 381.07
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
Foreign	
Balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments	0.00
Any balance or deposit held with a foreign bank List issuers/entities which exceeds 5% of total assets	0.00
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	
Total Cash	<u>305 948 754.58</u>

B COMMODITIES

Instrument	Local or foreign	Holding number	% Holding	Fair value R
Gold (including Kruger Rands) List issuers/entities which exceeds 5% of total assets	Local	125 161	57.41%	29 442 873.64
List issuers/entities which exceeds 5% of total assets	Local	92 862	42.59%	15 847 828.92
Other:	Local		0.00%	-
Total Commodities		218 023	100%	45 290 702.56

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

SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

C DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS

Instrument	Local or foreign	Secured/ Unsecured	Issued/ Guaranteed	Redemption value R	Fair value R
Government debt:				1 778 381 391	1 513 316 046.68
Debt instruments issued by an loans to the government of the Republic and any debt or loan guaranteed by the Republic List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		1 778 381 391	1 513 316 046.68
Debt instruments issued or guaranteed by the government of a foreign country: List issuers/entities which exceeds 5% of total assets	Foreign	Secured/ Unsecured		-	-
Bank debt :					
Debt instruments issued or guaranteed by a South African Bank against its balance sheet:-	Local	Secured/ Unsecured		51 085 434	54 714 422.41
Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		-	0
Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as - List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		30 151 194	32 206 739.57
Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed - List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		20 934 240	22 507 682.84
Not listed on an exchange (provide details)					

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)

SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

C DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS (continued)

Instrument	Local or foreign	Secured/ Unsecured	Issued/ Guaranteed	Redemption value R	Fair value R
Public debt:					
Debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed:-		Secured/ Unsecured		36000361	32 685 892.05
1.Airports Company of South Africa Limited	Local			2300000	2 943 806.63
2.Development Bank of South Africa	Local			3350000	3 303 835.75
3.ESKOM	Local			16268361	12 083 392.85
4.Industrial Development Corporation of South Africa	Local			-	-
5.Land and Agricultural Development Bank of South Africa	Local			-	-
6.Trans – Caledon Tunnel Authority	Local			-	-
7.Transnet Limited	Local			8750000	8 934 127.76
8.The South African National Roads Agency Limited	Local			2232000	2 331 406.15
9.Rand Water	Local			2000000	1 909 553.00
10.Umgenti Water	Local			1100000	1 179 769.91
Corporate debt (excluding debentures):					
Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	Local	Secured/ Unsecured		23821484	35 343 376.32
Listed on an exchange List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		23821484	35 343 376.32
Not listed on an exchange					
Debentures:				0	-
Listed on an exchange List issuers/entities which exceeds 5% of total assets	Foreign			0	-
Not listed on an exchange (provide details)					-
Other	Local			5159985.426	33 618 982.05
Listed on an exchange: List issuers/entities which exceeds 5% of total assets	Local			0	-
Not listed on an exchange				5159985.426	33 618 982.05
LAL INTERNAL BOND	Local			5 159 985	33 618 982.05
TOTAL DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS					1 669 678 719.51

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

D INVESTMENT AND OWNER OCCUPIED PROPERTIES

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

Instrument	Local/ Foreign	Issued shares	Holding number	Ordinary/ Preference shares	% Holding	Fair value R
Shares and linked units in property companies, or units in a collective investment scheme in property, <u>listed</u> on an exchange:						70 182 305.90
Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed List issuers/entities which exceeds 5% of total assets	Local	11291177750	2444963		0.02%	43 281 447.84
Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed List issuers/entities which exceeds 5% of total assets	Local	3082404907	2201651		0.07%	23 058 500.60
Issuer market capitalisation of less than R3 billion, or an amount or conditions as prescribed List issuers/entities which exceeds 5% of total assets	Local	3874543678	1982942		0.05%	3 842 357.46
Shares in property companies and linked units in property companies, <u>not listed</u> on an exchange: Provide details						
TOTAL						70 182 305.90

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

						Fair value R
TOTAL OF INVESTMENT AND OWNER OCCUPIED PROPERTY						

Note: Valuation method and date of valuation

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

E EQUITIES

Instrument	Local/ Foreign	Issued shares	Ordinary/ Preference shares	Holding number	Holding in issuer/ entity %	Fair value R
Listed equities						3 143 303 148.92
Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed List issuers/entities which exceeds 5% of total assets	Local	79912721676	Ordinary	36512884	0.05%	2 883 732 703.20
Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed List issuers/entities which exceeds 5% of total assets	Local	25574630201	Ordinary/ Preference	16407386	0.06%	233 609 255.09
Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed List issuers/entities which exceeds 5% of total assets	Local/ Foreign	4720899037	Ordinary	6905345	0.15%	25 961 190.63
Unlisted equities	Local		Ordinary			1.36
AFBL RESID SUB STUB	Local			315061		1.35
GROUP FIVE LIMITED U	Local			1349278		0.01
JCD LTD (UNLISTED)	Local			1156252		-
TOTAL EQUITIES						<u>3 143 303 150.28</u>

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

F SECURITIES LENDING

Securities on lend	Maximum of Fair value of security	Transac-tion date	Collateral	Fair value	No. of shares lent	Name of counter party	Scrip custodian	Manufactured dividend R
Equities – Top 100 of companies (by market cap) listed on an exchange	75%		Various	212 543 856.09	6 031 356	Nedbank	Nedbank	3 510 260.53
Other listed equities (<i>provide details</i>)	50%							
Debt – Government bonds	75%		Various	527 272 671.62	639 892 625	Nedbank	Nedbank	
Other listed debt instruments (<i>provide details</i>)	50%							
Money Market Instruments issued by a South African bank, including an Islamic liquidity	75%							
TOTAL				739 816 527.71	645 923 981			3 510 260.53

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
NATAL JOINT MUNICIPAL PROVIDENT FUND	PRUDENTIAL 8882034437	50%	275 884 295.41
NATAL JOINT MUNICIPAL PROVIDENT FUND	CORONATION 8882034402	50%	253 896 596.07
NATAL JOINT MUNICIPAL PROVIDENT FUND	FOORD 110135170166	50%	111 135 511.68
NATAL JOINT MUNICIPAL PROVIDENT FUND	KAGISO110135670038	50%	24 332 021.69
NATAL JOINT MUNICIPAL PROVIDENT FUND	INVESTEC 110137570359	50%	74 568 102.86
Total			739 816 527.71

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

G DIRECT DERIVATIVE MARKET INSTRUMENTS

G1 DERIVATIVE POSITIONS WITHOUT 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 %
						Gross	Nett									
Options e.g. put or call																
Futures/ Forwards/ SAFEX	Local	Listed				76 490 841.84	76 490 841.84						SAFEX		593	
Currency swaps																
Interest rate swaps																
Forward rate agreements																
Equity linked instruments																
Other (Provide details)																
TOTAL																

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

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

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/ SAFEX																	
Currency swaps																	
Interest rate swaps																	
Forward rate agreements																	
Equity linked instruments																	
Other (Provide details)																	
TOTAL																	

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

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

H Investments in participating employer/s

Instrument ^{Note 1}	Local or Foreign	Holding number	% Holding	Interest rate	Secured by	Listed/not listed	Issued / Guaranteed	Fair value R
Cash								
Commodities								
Housing Loans								
Debt instruments								
SUBTOTAL								

Instrument	Local or Foreign	Address	Valuation method	Date of last valuation	Pledged as a guarantee			Fair value R
Investment properties and owner occupied properties								
SUBTOTAL								

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)								
SUBTOTAL								
TOTAL FOR INVESTMENT IN PARTICIPATING EMPLOYERS								

Note 1:

List issuers/entities which exceeds 5% of total assets

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

I OTHER ASSETS

Instrument	Local or Foreign	Holding number	% Holding	Fair value R
	Local			
CORONATION STRATEGIC CASH PF		3972742		4 887 271.28
LAL INTERNAL MONEY UPF Z		5707149		8 880 186.96
INV LAL SPECIAL FOCUS FUN		2269116		21 812 771.34
Total other portfolio assets				35 580 229.58

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

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

K PRIVATE EQUITY FUNDS

Instrument	Local or Foreign	Structure	Category 2 approval	FAIS approval number	% Holding	Term of contract	Number of permitted drawdowns as per contract	Number of permitted drawdowns exercised	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)											
Total Private Equity funds commitment											

The Private Equity funds structure will be classified as:

- Partnerships
- Trusts
- Other - Section 5(2)(e)

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

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

L CERTIFIED REGULATION 28 COMPLIANT INVESTMENTS

Instrument	Local or foreign	Fair value R
Collective Investment Schemes – regulation 28(8)(b)(i)	Local	76 672 167.21
Linked policies – regulation 28(8)(b)(ii)		
Non Linked policies – regulation 28(8)(b)(iii)		
Regulated entities – regulation 28(8)(b)(iv)		
Total certified Regulation 28 compliant investments		76 672 167.21

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			
CONTRARIUS	F	10.22%	503 997 449.29
INVESTEC	F	11.30%	464 199 201.70
SEI	F	17.14%	704 342 612.28
WALTER SCOTT & PARTNERS	F	12.19%	500 781 168.86
Total Non-compliant Collective investment schemes			2 173 320 432.13

M2 Non-compliant Insurance policies

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

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 IB;
- 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

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)

SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

O ENTITY/ COUNTERPARTY EXPOSURE

CREDIT / COUNTER PARTY RISK

Counter party	Direct investment in counter party	Deposit/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	R	
BANKS	412 563 707.81	169 564 819.78	0.00	0.00	0.00	57 904 669.83	640 033 197.42	13.55%
ABSA BANK	52 922 999.16	0.00	0.00	0.00	0.00	4 997 376.64	57 920 375.80	1.23%
AFRICAN BANK LIMITED	1.35	0.00	0.00	0.00	0.00	12 073 250.21	12 073 251.56	0.26%
LAND & AGRICULTURAL BANK OF SA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
BARCLAYS AFRICA GROUP LTD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
CAPITEC BANK LIMITED	14 064 935.04	0.00	0.00	0.00	0.00	0.00	14 064 935.04	0.30%
CHINA BANK	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
DEVELOPMENT BANK OF SA	0.00	0.00	0.00	0.00	0.00	3 303 835.75	3 303 835.75	0.07%
FIRST RAND LIMITED	164 337 690.10	0.00	0.00	0.00	0.00	20 774 449.44	185 112 139.54	3.92%
INVESTEC BANK LTD	29 005 311.84	66 778 454.60	0.00	0.00	0.00	0.00	95 783 766.44	2.03%
NEDBANK GROUP LTD	26 740 000.00	19 096 462.17	0.00	0.00	0.00	9 377 340.03	55 213 802.20	1.17%
RMB HOLDINGS LTD	12 634 870.08	5 093 746.59	0.00	0.00	0.00	0.00	17 728 616.67	0.38%
STANDARD BANK OF SA	112 857 900.24	71 234 775.35	0.00	0.00	0.00	7 378 417.76	191 471 093.35	4.05%
SAFEXX	0.00	7 361 381.07	0.00	0.00	0.00	0.00	7 361 381.07	0.16%
ASSET MANAGERS LOCAL	11 105 220.00	42 645 837.23	0.00	0.00	0.00	36 593 755.23	90 344 812.46	1.91%
CORONATION FUND MANAGERS	11 105 220.00	42 645 837.23	0.00	0.00	0.00	4 887 271.28	58 638 328.51	1.24%
PRUDENTIAL PORT MGR	0.00	0.00	0.00	0.00	0.00	31 706 483.95	31 706 483.95	0.67%
STANLIB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
ASSET MANAGERS FOREIGN	0.00	0.00	0.00	0.00	0.00	2 173 320 432.06	2 173 320 432.06	46.01%
CONTRARIUS	0.00	0.00	0.00	0.00	0.00	503 997 449.24	503 997 449.24	10.67%
INVESTEC	0.00	0.00	0.00	0.00	0.00	464 199 201.56	464 199 201.56	9.83%
SEI INVESTMENTS	0.00	0.00	0.00	0.00	0.00	704 342 612.21	704 342 612.21	14.91%
WALTER SCOTT & PARTNERS	0.00	0.00	0.00	0.00	0.00	500 781 169.05	500 781 169.05	10.60%
INSURANCE COMPANIES	67 754 739.30	0.00	0.00	0.00	0.00	7 976 831.84	75 731 571.14	1.60%
ALEXANDER FORBES	3 154 203.80	0.00	0.00	0.00	0.00	0.00	3 154 203.80	0.07%
LIBERTY GROUP LTD	0.00	0.00	0.00	0.00	0.00	1 489 471.16	1 489 471.16	0.03%
DISCOVERY HLD	2 782 058.72	0.00	0.00	0.00	0.00	3 020 931.37	5 802 990.09	0.12%
OLD MUTUAL	0.00	0.00	0.00	0.00	0.00	1 652 736.72	1 652 736.72	0.03%
PSG KONSULT LIMITED	20 457 841.26	0.00	0.00	0.00	0.00	0.00	20 457 841.26	0.43%
MMI HOLDINGS	0.00	0.00	0.00	0.00	0.00	1 075 347.44	1 075 347.44	0.02%
SANLAM	31 599 476.48	0.00	0.00	0.00	0.00	0.00	31 599 476.48	0.67%
SANTAM LIMITED	9 761 159.04	0.00	0.00	0.00	0.00	738 345.15	10 499 504.19	0.22%
TOTAL	491 423 667.11	212 210 657.01	0.00	0.00	0.00	2 275 795 688.96	2 979 430 013.08	63.08%
PARTICIPATING EMPLOYERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
TOTAL	491 423 667.11	212 210 657.01	0.00	0.00	0.00	2 275 795 688.96	2 979 430 013.08	63.08%

FAIR ASSET VALUE OF THE FUND

4 723 124 777.16

KWAZULU NATAL JOINT MUNICIPAL PROVIDENT FUND (REF. NO. 12/8/32558/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

P RECONCILIATION BETWEEN THE INVESTMENTS IN SCHEDULE H2 AND SCHEDULE IA

	Fair value current period (as per Schedule H2.1)	Amortised cost current period	Cash at bank	Property split (Schedule IAD)	Non-compliant CIS	Non-compliant Insurance Policies	Compliant investments	Derivatives with residual risk	Investments no information (Schedule IAN)	Other ^{Note 1}	Total
Cash	143 309 583.90		162 639 170.68		82 485 290.34						388 434 044.92
Commodities	45 290 702.56										45 290 702.56
Housing Loans											
Debt instruments including Islamic debt instruments	1 669 678 719.51										1 669 678 719.51
Investment properties and owner occupied properties	70 182 305.90				8 384 016.93						78 566 322.83
Equities	3 143 303 148.92				1 995 743 588.21						5 139 046 737.13
Investments in participating employers											-
Hedge Funds											-
Private Equity Funds											-
Derivative market instruments											0.00
Collective Investment Schemes											0.00
Insurance Policies											0.00
Entities regulated ito Reg 28(8)(b)(iv)	2 249 992 599.27				(2 173 320 432.06)						76 672 167.21
Investments not disclosed /data not available for disclosure by entities											0.00
Other assets	35 580 229.58				86 707 536.58						122 287 766.16
TOTAL INVESTMENTS	7 357 337 289.64	0.00	162 639 170.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7 519 976 460.32

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):

SCHEDULE IB

ASSETS HELD IN COMPLIANCE WITH REGULATION 28

As at 31 March 2021

	Fair value R
A Total assets (Schedule IA -Total investments)	7 519 976 460
B1 Less: Reg 28 compliant investments (certificate received from issuing entity):-	76 672 167
B.1.1 Collective Investment Schemes (Reg 28(8)(b)(i))	76 672 167
B.1.2 Linked Policies (Reg 28(8)(b)(ii))	0
B.1.3 Non-Linked policies (Reg 28(8)(b)(iii))	0
B.1.4 Entity regulated by FSB (Reg 28(8)(b)(iv))	0
B2 Less: Reg 28 Excluded investments	0
B.2.1 Insurance Policies (Reg 28(3)(c))	0
C Less: Investments not disclosed /data not available for disclosure [Refer Schedule IAN]	0
D TOTAL ASSETS for REGULATION 28 DISCLOSURE	7 443 304 293

		R
1 CASH	100%	388 434 045
1.1 Notes, deposits, money market instruments issued by a South	100%	305 948 755
(a) Notes and coins, any balance or deposit in an account held with a		298 700 962
-per issuer/entity	25%	
FIRSTRAND BANK LTD		5 093 747
NEDBANK LTD		61 742 299
STANDARD BANK OF SA		69 225 745
Cash at Bank - held by Fund		162 639 171
(b) A money market instrument issued by a South African bank including		-113 588
-per issuer/entity	25%	
FirstRand Bank LTD		-113 588
NEDBANK LTD		
(c) Any positive net balance in a margin account with an exchange		7 361 381
-per issuer/entity	25%	
SAFEX - margin		5 170 918
SAFEX - Derivatives		2 190 463
(d) Any positive net balance in a settlement account with an exchange,		0
-per issuer/entity	25%	
		0
		0
1.2 Balances or deposits, money market instruments issued by a	SARB maximum limits	82 485 290
(a) Any balance or deposit held with a foreign bank		82 485 290
-per issuer/entity	5%	
BNP PARIBAS RETAIL BANKING		5 082 040
BANK OF NEW YORK		55 720 870
AUSTRALIAN DOLLAR		4 157 563
CANADIAN DOLLAR		7 020 351
SWISS FRANC		-2 268 366
DANISH KRONE		4 913
EURO CURRENCY		1 061 739
HONG KONG DOLLAR		827 973
ISRAELI SHEKEL		66 005
JAPANESE YEN		-16 522 861
NORWEGIAN KRONE		19
NEW ZEALAND DOLLAR		8
SWEDISH KRONA		-619 300
SINGAPORE DOLLAR		100 430
US DOLLAR		16 477 110
STATE STREET CORP		11 376 796
(b) Any balance or deposit held with an African		0
-per issuer/entity	5%	
		0
(c) A money market instrument issued by a foreign bank including an		0
-per issuer/entity	5%	
		0

2 DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS		100% issued/ guarantee by Republic otherwise 75%	1 669 678 720
2.1 Inside the Republic		75/100%	1 669 678 720
(a)	Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%	1 523 018 017
	Development bank of SA		3 303 836
	Eskom Holdings LTD GG		12 083 393
	Republic of SA		1 507 630 788
(b)	Debt instruments issued or guaranteed by the government of a	75%	0
	-per issuer	10%	0
(c)	Debt instruments issued or guaranteed by a South African Bank	75%	54 714 422
(c)(i)	Listed on an exchange with an issue market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	42 641 172
	-per issuer	25%	
	ABSA BANK LTD		4 997 377
	FIRSTRAND BANK LTD		20 774 449
	NEDBANK LTD		9 490 928
	STANDARD BANK OF SA		7 378 418
(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%	-
(c)(iii)	Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	12 073 250
	-per issuer	25%	12 073 250
	African Bank	5%	12 073 250
(c)(iv)	Not listed on an exchange by South African Bank	25%	-
	- per issuer	5%	-
		5%	-
(d)	Debt instruments issued or guaranteed by an entity that has equity listed on an exchange, or debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed:-	50%	41 725 808
(d)(i)	Listed on an exchange	50%	41 725 808
	-per issuer	10%	
	AIRPORTS COMPANY SA LTD		2 943 808
	BARLOWORLD LTD		722 755
	DISCOVERY HOLDINGS LTD		3 020 931
	MMI HOLDINGS LTD		1 075 347
	OLD MUTUAL PLC		1 652 737
	RAND WATER BOARD		1 909 553
	ROYAL BAFOKENG PLATINUM LTD		10 447 165
	SA NATIONAL ROADS AGENCY LTD		2 331 406
	SANTAM LTD		738 345
	TELKOM SA LIMITED		6 769 863
	TRANSNET LIMITED		8 934 128
	UMGENI WATER		1 179 770
(d)(ii)	Not listed on an exchange	25%	-
	Old Mutual Plc		-
(e)	Other debt instruments:-	25%	50 220 473
(e)(i)	Listed on an exchange	25%	16 601 491
	- per instrument	5%	
	CITY OF CAPE TOWN MUNICIPALITY		1 685 505
	EKURHULENI METRO MUNICIPALITY		3 999 754
	KAP INTERNATIONAL HOLDINGS		2 838 369
	LIBERTY GROUP		1 489 471
	MTN GROUP LTD		1 502 223
	NORTHAM PLATINUM LTD		5 086 169
(e)(ii)	Not listed on an exchange	15%	33 618 982
	LAL INTERNATIONAL		33 618 982
2.2 Foreign		SARB maximum limits	0
(a)	Debt instruments issued or guaranteed by a Foreign Bank against its balance sheet	SARB maximum limits	0

(i)	Listed debt by a Foreign Bank with a market cap larger than R20 billion -per issuer	SARB maximum limits 25%					0 0		
(ii)	Listed debt by a Foreign Bank with a market cap between R2 and R20 billion -per issuer Bank of Windhoek	SARB maximum limits 15%					0 0		
(iii)	Listed debt by a Foreign Bank with a market cap less than R2 billion -per issuer	SARB maximum limits					0 0		
(iv)	Total Unlisted debt by a Foreign Bank	SARB maximum limits					0		
(iv)	Unlisted debt by a Foreign Bank -per issuer	SARB maximum limits					0 0		
(b)	Debt instruments issued or guaranteed by the government of a	SARB maximum limits					0		
(c)	Debt instruments issued or guaranteed by a foreign country against its balance sheet:-	SARB maximum limits					0		
(c)(i)	Listed on an exchange with an issue market capitalisation of R20 billion or more, or an amount or conditions as prescribed -per issuer	SARB maximum limits 25%					0 0		
(c)(ii)	Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as	SARB maximum limits					0		
(c)(iii)	Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed -per issuer	SARB maximum limits 10%					0 0		
(c)(iv)	Not listed on an exchange - per issuer	25% 5%					0 0		
(d)	Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	SARB maximum limits					0		
(d)(i)	Listed on an exchange -per issuer	SARB maximum limits 10%					0 0		
(d)(ii)	Not listed on an exchange -per issuer	25% 5%					0 0		
(e)	Other debt instruments:-	25%					0		
(e)(i)	Listed on an exchange - per instrument	25% 5%					0 0		
(e)(ii)	Not listed on an exchange -per instrument	15% 5%					0 0		

3 EQUITIES	75%						5 139 046 736		
3.1 Inside the Republic	75%						3 143 303 148		
(a) Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange:-	75%						3 062 757 233		
(a)(i) Issuer market capitalisation of R20 billion or more, or an amount or -per issuer	75% 15%						2 653 167 033		
ABSA BANK LTD							52 922 999		
ANGLO AMERICAN PLC							151 732 174		
ANGLO AMERICAN PLATINUM LIMITED							79 196 968		
ANGLOGOLD LTD							30 108 776		
ANHEUSER-BUSCH INBEV SA							62 548 494		
ASPEN PHARMACARE HOLDINGS LTD							64 392 067		
AVI LIMITED							22 914 136		
BRAIT SA							2 878 235		
BHP GROUP PLC							79 338 452		
BID CORPORATION LTD							75 610 462		
BRITISH AMERICAN TOBACCO PLC SHARES							155 054 089		
BIDVEST GROUP LTD							29 166 508		
CFR RICHMONT							64 223 254		
CIE FINANCIERE RICHEMONT							1 532 583		
CORONATION FUND MANAGERS LTD							11 105 220		
CAPITEC BANK LIMITED							14 064 935		
DISTELL GROUP LTD							4 359 095		
DISCOVERY HOLDINGS LTD							2 782 059		
EXXARO RESOURCES LTD							60 083 060		
FIRSTRAND BANK LTD							176 555 231		
FOSCHINI GROUP LTD							51 661 191		
GOLD FIELDS LTD							11 902 453		
GLENCORE XSTRATA PLC							78 563 649		
IMPALA PLATINUM HOLDINGS LTD							97 592 957		
INVESTEC BANK LTD							26 461 923		
LIFE HEALTHCARE GROUP HOLDINGS LTD							6 738 533		
MULTICHOICE GROUP							37 413 811		
MEDICLINIC INTERNATIONAL PLC							8 381 741		
MONDI PLC							6 419 442		
MR PRICE GROUP LTD							16 106 416		
MASSMART HLD							5 652 460		
MTN GROUP LTD							91 213 257		
NEDBANK LTD							26 740 000		
NORTHAM PLATINUM LTD							66 004 071		
NASPERS LTD							421 201 050		
NETCARE LTD							9 265 236		
OCEANA GROUP LTD							16 506 864		

	OLD MUTUAL LTD				27 383 090		
	PICK 'N PAY STORES LIMITED				21 243 075		
	PEPKOR HOLDINGS LTD				27 985 365		
	PSG GROUP LTD				12 338 013		
	RAINBOW CHICKEN LIMITED				1 300 020		
	REMGRO LTD				30 150 016		
	REINET INVESTMENT SCA				12 761 727		
	SOUTH32 LIMITED				1 373 872		
	SAPPI LTD				19 904 274		
	SIBANYE GOLD LTD				39 074 620		
	SHOPRITE HOLDINGS LTD				30 233 816		
	SANLAM LTD				31 599 476		
	SANTAM LTD				9 761 159		
	SASOL LTD				72 499 629		
	SPAR GROUP LIMITED				39 841 770		
	STANDARD BANK OF SA				112 857 900		
	TIGER BRANDS LTD				4 339 975		
	TELKOM SA LIMITED				3 706 373		
	TRUWORTHS INTERNATIONAL LIMITED				23 715 197		
	VODACOM GROUP LTD				8 797 166		
	WOOLWORTHS HOLDINGS LTD				3 906 649		
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%			168 057 116		
	-per issuer	10%					
	ADCTECH LTD				6 642 875		
	ALEXANDER FORBES				3 154 204		
	AECI LTD				5 115 016		
	ASTRAL FOODS LTD				709 160		
	ALLIED ELECTRONICS CORPORATION LIMITED				6 521 420		
	BRIMSTONE INVESTMENT CORPORATION LIMITED CLASS N				176 565		
	CITY LODGE HOTELS LTD				839 570		
	CURRO HOLDINGS LTD				7 634 184		
	CASHBUILD LIMITED				1 039 822		
	DATATEC LTD				11 631 542		
	EOH HOLDINGS LTD				1 018 499		
	FAMOUS BRANDS LTD				10 167 361		
	HOSKEN CONSOLIDATED IINVESTMENTS				3 839 339		
	HUDACO INDUSTRIES				3 431 518		
	ITALTILE LTD				3 231 043		
	INVICTA HOLDINGS LTD				2 793 363		
	KAP INTERNATIONAL HOLDINGS				6 225 847		
	PSG KONSULT LIMITED				8 119 828		
	LEWIS GROUP LIMITED				4 337 665		
	MPACT LTD				2 294 520		
	METAIR INV				12 547 250		
	OMNIA HOLDINGS LIMITED				32 726 561		
	PAN AFRICAN RESOURCES PLC				957 896		
	PRETORIA PORTLAND CEMENT				4 384 632		
	ROYAL BAFOKENG PLATINUM LTD				9 077 090		
	RHODES FOOD GROUP				725 622		
	SUPER GROUP LTD				6 635 010		
	SUN INTERNATIONAL (SA)				2 526 044		
	SPUR CORPORATION LTD				5 455 192		
	TONGAAT HULETT LIMITED				482 096		
	TRENCOR LTD				1 892 048		
	ZEDER INVESTMENTS LTD				1 724 334		
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%			241 533 084		
	-per issuer	5%					
	ADCORP HOLDINGS LTD				2 135 367		
	ARC INVESTMENTS LTD				80 535		
	BOWCALF				1 211 547		
	CARTRACK HOLDINGS LTD				1 325 211		
	CROOKES BROS / ORD				1 365 279		
	CAPITAL APPRECIATION				873 995		
	DANGOTE CEMENT PLC				3 811 452		
	EPE CAPITAL PARTNERS LTD				1 577 474		
	GRAND PARADE INVESTMENTS LTD				2 005 347		
	LIBSTAR HOLDINGS				4 771 967		
	MASTER DRILLING GROUP LTD				2 383 438		
	MONTAUK ENERGY HOLDINGS LLC				8 896 215		
	MUSTEK LTD				1 131 898		
	MOTUS HOLDINGS LTD				2 382 541		
	MOMENTUM METROPOLITA				27 973 779		
	NINETY ONE PLC				20 676 778		
	PERESEC PRIME BROKERS				63 707 114		
	PROSUS				54 217 357		
	RECM AND CALIBRE LTD				1 815 060		
	SHG				2 965 935		
	STADIO HOLDINGS PTY LTD				256 947		

	TEXTAINER GROUP HOLDINGS LTD	
	TSOGO SUN HOTELS LTD	
	TRANSPACO LTD	
	TRELLIDOR HOLDINGS LTD	
	TSOGO SUN GAMING LTD	
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%
	-per issuer	2.50%
	AFRICAN BANK LTD	
	ACTIVE QUANTS HF	
	CORONATION FUND MANAGERS LTD	
	GROUP FIVE CONSTRUCTION PTY LTD	
	INVESTEC BANK LTD	
	JCI GOLD LTD	

3.2 Foreign SARB maximum limits

(a)	Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange:-	SARB maximum limits

(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or -per issuer	SARB maximum limits 15%
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CK INFRASTRUCTURE HOLDINGS LTD
BERKSHIRE HATHAWAY INC
CANADIAN NATIONAL RAILWAY COMPANY
F5 NETWORKS INC
LENNAR A CORP
CVS HEALTH CORP
TEXAS INSTRUMENTS INCORPORATED
TRACTOR SUPPLY
TORAY INDUSTRIES INC
HUNTSMAN CORP
SBERBANK OF RUSSIA OJSC
KOSE CORP
KUBOTA CORP
NOVATEK MICROELECTRONICS CORP.
MEDIATEK INC.
PERSIMMON ORD GBP0 10
TAIWAN SEMICONDUCTOR MANUFACTURING
ING GROEP NV
APPLE INC
ABBVIE INC
BARRICK GOLD CORP
KONINKLIJKE AHOLD DELHAIZE NV
AUTOMATIC DATA PROCESSING INC
AFLAC INC
AIA GROUP LTD
AMERICAN INT GROUP
AIR PRODUCTS & CHEMICALS
ALLSTATE CORPORATION
ALSTOM SA
ALTRIA GROUP INC
ALLIANZ SE
AMGEN INC
AMPHENOL CORP-A
AOZORA BANK LTD
APPLIED MATERIALS INC
ARCELORMITTAL
ARCHER DANIELS MIDLAND CO
ASSICURAZIONI GENERALI SPA
ALIMENTATION COUCHE-TARD -B
BROADCOM CRP / CAYMN FI
AXA SA
AMERICAN EXPRESS CO
ASTRAZENECA PLC
ANADOLU EFES BIRACILIK VE MALT SAN
SEEK LTD
KONE
TURK TELEKOMUNIKASYON
INTL CONSOLIDATED EUR0 5
GAZPROM OAO
NORILSK NICKEL MINING & METALLURGI
SURGUTNEFTEGAS OJSC PREF
ALIBABA GROUP HOLDING-SP ADR
BARCLAYS PLC
BALOISE HOLDING AG
BROOKFIELD ASSET MANAGEMENT INC
BASF SE
FOSSIL GROUP INC
GEDEON RICHTER
BCE INC
BANCO SANTANDER SA
BECTON DICKINSON AND CO
BEST BUY CO INC

AMBEV SA	54 660
BIOGEN INC	964 136
BANK OF NEW YORK MELLON CORP	641 331
BANK OF MONTREAL	500 041
BAYERISCHE MOTOREN	2 418 722
BRISTOL-MYERS SQUIBB CO	1 080 592
BNP PARIBAS	3 320 432
BP CAPITAL MARKETS PLC	2 063 367
CAN IMPERIAL BK OF COMMER	449 751
CANADIAN NATL RAILWAY CO	1 931 474
CITIGROUP INC	15 488 289
TORONTO DOMINION BANK	313 360
CARDINAL HEALTH INC	185 514
COMPASS GROUP PLC	9 596 501
CANON INC	710 113
CARNIVAL CORP	1 161 478
CENTRAL JAPAN RAILWAY CO	1 921 209
ABB LTD REG	26 222
CIE FINANCIERE RICHEMONT	303 732
UBS GROUP AG REG	5 847 627
SWISS FRANC	60 266
COLGATE-PALMOLIVE CO	9 263 077
CME GROUP INC	1 259 654
CANADIAN NATURAL RESOURCES LTD	175 456
COMCAST CORP	1 360 008
CONTINENTAL AG	1 760 700
CONTRARIUS GLOBAL EQUITY FUND	10 647 517
CISCO SYSTEMS INC	10 489 576
CSL LTD	8 107 080
COGNIZANT TECHNICAL SOLUTIONS	10 815 243
CHEVRON CORP	3 202 629
CEMENTOS ARGOS SA	761 097
KOMERCNI BANKA AS	760 357
DAIMLER FINANCE NORTH AMERICA LLC	248 690
DAITO TRUST CONSTRUCTION	1 976 314
DBS GROUP HOLDINGS LTD	454 846
JOHN DEERE CAPITAL CORP MTN	941 771
DH SWITZERLAND FINANCE SA	933 817
WALT DISNEY COMPANY	10 614 851
DXC TECHNOLOGY CO	5 318 584
EBAY INC	5 466 127
ECOLAB INC	783 492
ESTEE LAUDER CO INC	649 459
ELISA OYJ	77 625
ENBRIDGE INC	163 568
ENEL SPA	2 947 561
EOG RESOURCES INC	394 865
ENDESA SA	430 831
IBERDROLA SA	303 996
EATON CORPORATION	52 879
EVEREST RE GROUP LTD	337 706
FEDEX CORP	223 001
NOKIA OYJ	2 159 139
FORTESCUE METALS GROUP	729 232
SAFRAN SA	1 427 692
L'OREAL	10 167 279
FRANCE TELECOM SA	325 788
BT GROUP PLC	2 064 818
ROYAL DUTCH SHELL PLC	1 962 696
RECKITT BENCKISER GROUP PLC	10 414 243
GENERAL MOTORS CO	6 310 341
GILEAD SCIENCES INC	384 619
GENERAL MILLS INC	961 191
CORNING INC	211 739
ALPHABET INC-CL C	33 344 711
GLAXOSMITHKLINE PLC	2 947 453
GREAT-WEST LIFECO INC	263 454
H&R BLOCK INC	927 332
HITACHI LTD	64 598
CLP HOLDINGS LTD	5 385 542
HONG KONG EXCHANGES & CLE	5 325 593
HEWLETT-PACKARD	409 111
MOL HUNGARIAN OIL & GAS PLC	1 019 483
HUGO BOSS PFD	5 278 449
INTL BUS MACHINE COR	4 461 387
BANK LEUMI LE ISRAEL	267 758
ILLUMINA INC	5 935 212
IMPERIAL TOBACCO GROUP	4 496 767
INTEL CORP	5 398 636
INTUITIVE SURGIC	10 170 076
IQVIA HOLDINGS INC	4 633 149
INTESA SANPAOLO SPA	2 551 698
J FRONT RETAILING CO LTD	1 586 077
JAPAN TOBACCO INC	376 619
JOHNSON CONTROLS INC	78 210

JD.COM INC ADR				294 316		
JOHNSON & JOHNSON				13 016 583		
ASAHI KASEI CORP				65 178		
ASAHI GROUP HOLDINGS LTD				6 556 961		
ITOCHU CORP				608 879		
EISAI CO LTD				77 355		
OMRON CORP				90 086		
KEYENCE CORP				17 898 908		
SUNTORY BEVERAGE & FOOD LTD				686 491		
SHIN ETSU CHEMICAL CO LTD				13 612 343		
START TODAY CO LTD				87 673		
SONY CORP				8 208 664		
KDDI CORP				886 900		
DAIWA HOUSE INDUSTRY CO				41 839		
TEIJIN LTD				797 154		
TOKYO ELECTRON LTD				232 316		
LIXIL GROUP CORP				80 918		
NISSIN FOODS HOLDINGS CO				52 992		
NITTO DENKO CORP				70 454		
NIPPON TELEGRAPH & TELEPH				2 351 594		
FANUC CORP				11 610 148		
FUJIFILM HOLDINGS CORP				323 172		
BRIDGESTONE CORP				272 828		
ASTELLAS PHARMA INC				187 219		
YAMAHA CORP				26 921		
JSR CORP				61 358		
JX HOLDINGS INC				201 721		
KRAFT FOODS GROUP INC				1 122 470		
KONE OYJ				42 852		
SAMSUNG ELECTRO-MECHANICS CO LTD				14 769 416		
LG CHEM LTD				3 812 096		
HANA FINANCIAL GROUP INC				4 972 510		
KROGER CO				959 707		
LOBLAW COMPANIES LIMITED				924 128		
LINDE AG				14 338 401		
ELI LILLY AND COMPANY				1 410 263		
LOCKHEED MARTIN				477 284		
LOWE'S COS INC				5 693 489		
LULULEMON ATHLETICA INC				183 586		
LVMH MOET HENNESSY LOUIS VUI				12 457 734		
MACYS INC				17 803 087		
MASTERCARD INC				18 950 315		
MANULIFE FINANCIAL CORP				354 010		
MAGNA INTERNATIONAL INC				140 814		
MITSUBISHI CORP				213 655		
mitsui + co ltd				108 676		
MIZUHO FINANCIAL GROUP				424 065		
3M COMPANY				155 291		
MOLSON COORS-B				3 876 284		
MOODYS CORP				2 942 379		
MORGAN STANLEY				11 768 172		
MARATHON PETROLEUM CORP				45 928		
MERCK & CO INC				10 318 129		
MICROSOFT CORPORATION				45 909 441		
BK TOKYO-MITSUBISHI UFJ				902 995		
NESTLE SA				8 869 213		
NETAPP INC				4 928 033		
NIPPON YUSEN				42 407		
NIKE INC				19 101 479		
AIRBUS GROUP SE				1 151 785		
NORTHROP GRUMMAN CORP				771 827		
NOMURA REAL ESTATE HOLDINGS INC				932 442		
NOVO NORDISK B				16 571 265		
NOVARTIS CAPITAL CORP				7 832 878		
NVIDIA CORPORATION				579 427		
NEWELL RUBBERMAID INC				2 779 031		
OMV AG				226 757		
ONO PHARMACEUTICAL CO				78 920		
ORACLE CORP				15 230 864		
OREILLY AUTOMOTIVE INC				1 019 695		
OTSUKA HOLDINGS CO LTD				36 007		
OVERSEA-CHINESE BANKING				265 262		
OCCIDENTAL PETROLEUM COR				29 560		
PANASONIC CORP				231 823		
PEPSICO INC				1 718 800		
PFIZER INC				1 032 051		
PROCTER & GAMBLE COMPANY				1 052 568		
KONINKLIJKE PHILIPS ELECTRONICS NV				7 548 705		
PHILIP MORRIS INTERNATNL				3 321 222		
BANK HANDLOWY W WARSZAWIE SA				680 977		
ABOITIZ EQUITY VENTURES INC				263 058		
GRUPA LOTOS SA				388 408		
BANK PEKAO SA				2 682 429		
POWSZECHNY ZAKLAD UBEZPI				3 019 820		
PINNACLE HLDG				246 753		

PHILLIPS 66			255 844		
PUBLIC STORAGE			614 366		
QUALCOMM INCORPORATED			1 271 279		
RAKUTEN INC			1 969 581		
RALPH LAUREN CORP			1 071 614		
ROYAL BANK OF SCOTLAND GROUP PLC			1 832 392		
REPSOL INTERNATIONAL FINANCE BV			7 239 992		
REXEL SA			1 189 330		
ROCHE FINANCE EUROPE BV			11 212 138		
ROYAL BANK OF CANADA			48 860		
INTER RAO UES PJSC			329 459		
RWE AG			265 537		
SAMSUNG ELECTRONICS CO LTD			4 238 393		
SBI HOLDINGS INC			75 966		
STARBUCKS CORP			264 739		
SKANDINAVISKA ENSKILDA BA			71 270		
ICA GRUPPEN AB			38 166		
SANDVIK AB			1 805 409		
SEAGATE TECHNOLOGY			174 075		
SES S.A			40 552		
SINGAPORE TELECOMMUNICATI			66 755		
CIE DE SAINT-GOBAIN			2 841 955		
SGS SA			4 879 692		
SHARP CORPATION			4 123 639		
SHERWIN-WILLIAMS COMPANY			2 205 503		
SIEMENS AG			138 705		
SOCIETE GENERALE			1 639 558		
SOFTBANK CORP			300 016		
STANDARD CHARTERED PLC			1 599 033		
STORA ENSO OYJ			1 795 653		
STRYKER CORP			9 292 345		
SCHNEIDER ELECTRIC SA			979 477		
SUMITOMO MITSUI FINL GRP			885 180		
SUNCOR ENERGY			201 081		
STANLEY BLACK & DECKER INC			826 959		
SYNCHRONY FINANCIAL			143 238		
SYSCO CORP			2 635 441		
TAKEDA PHARMACEUTICAL CO LTD			92 993		
TELECOM ITALIA SPA			61 399		
GRUPO TELEVISA SAB			6 952 030		
TESCO PLC			1 076 254		
TARGET CORP			2 073 930		
AT&T INC			5 242 024		
TJX COS INC			10 592 016		
TELSTRA CORPORATION LIMITED			112 748		
THERMO FISHER SCIENTIFIC INC			6 507 076		
TOTAL CAPITAL INTL SA			3 136 127		
TOYOTA MOTOR CREDIT CORP			1 684 707		
TURKIYE GARANTI BANKASI			283 831		
TRAVELERS CO INC			361 984		
TULLOW OIL PLC			4 780 820		
DELTA ELECTRONICS INC			5 558 897		
TEXAS INSTRUMENTS INC			1 340 162		
TYSON FOODS INC-CL A			607 519		
UNITEDHEALTH GROUP INC			15 938 907		
UNION PAC CORP			3 279 648		
UNITED OVERSEAS BANK LIMITED			588 935		
UNITED PARCEL SERVICE INC			567 415		
ADOBE SYSTEMS INC			10 856 457		
PRESIDENT CHAIN STORE CORP			377 705		
EDISON INTERNATIONAL			230 357		
EXELON CORP			1 067 160		
FACEBOOK INC A			12 321 632		
FRANKLIN RESOURCES INC			90 600		
FREEPORT MCMORAN INC			811 016		
HCA HOLDINGS INC			190 427		
ADR INDUSTRIA DE DISENO TEXTIL INDITEX SA ADR ADR			9 341 680		
INTUIT INC			838 548		
MCDONALD'S CORP			639 087		
TESLA MOTORS INC			107 371		
US BANCORP			2 643 193		
VF CORPORATION			96 683		
VIVENDI SA			51 511		
VOLVO TREASURY AB			4 397 533		
VODAFONE GROUP PLC			1 711 984		
VOLKSWAGEN AG			9 341 895		
VERIZON COMMUNICATIONS INC			2 232 692		
WALGREEN CO			3 353 752		
WALMART INCORPORATED			259 742		
WELLS FARGO & COMPANY			3 566 271		
WOOLWORTHS HOLDINGS LTD			39 349		
WASTE MANAGEMENT INC			360 863		
WESTPAC BANKING CORP			207 575		
YAHOO INC			8 174 633		
YAMAGUCHI FINANCIAL GROUP			143 839		

	YANZHOU				4 825 532		
	ZOETIS INC				396 835		
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB maximum limits			436 571 698		
	-per issuer	10%					
	AMERICAN FINANCIAL GROUP INC				232 602		
	AMAZON.COM INC				16 017 622		
	HOLLYFRONTIER CORP				1 575 729		
	AMERISOURCEBERGEN CORP				3 456 738		
	AGL ENERGY LTD				369 147		
	ALTAGAS LTD				61 609		
	ADVANCED MICRO DEVICES INC				499 248		
	AFFILIATED MANAGERS GROUP INC				4 782 026		
	TREASURY WINE ESTATES LTD				46 325		
	AUTOZONE INC				3 137 888		
	AVIVA PLC				2 069 033		
	AMERICAN WATER CAPITAL CORP				447 534		
	GAMESA CORP TECNOLOGICA SA				95 521		
	SWISS PRIME SITE AG				121 279		
	SPLUNK INC				111 718		
	LEAR CORP				4 868 222		
	PEYTO EXPLORATION & DEVELOPMENT CO				62 706		
	EASYJET PLC				640 765		
	BAE SYSTEMS HOLDINGS INC				1 861 910		
	BED BATH & BEYOND INC				14 424 114		
	ADIENT PLC				2 357 215		
	AGEAS SA				408 910		
	VEEVA SYSTEMS INC				150 350		
	AXIS CAPITAL HOLDINGS LTD				214 914		
	BUNGE LTD				95 332		
	SIGNET JEWELERS LTD				23 411 174		
	CDK GLOBAL INC				227 548		
	BRD-GROUPE SOCIETE GENERALE SA				876 294		
	BRAMBLES FINANCE LTD				155 353		
	ARC RESOURCES LTD				172 642		
	CONSTELLATION SOFTWARE IN				307 977		
	HYDRO ONE LTD				683 081		
	INTACT FINANCIAL CORP				163 220		
	KINROSS GOLD CORP				1 433 808		
	TECK RESOURCES LTD CLS B				30 325 796		
	CONAGRA FOODS INC				2 393 789		
	CAMPBELL SOUP CO				98 572		
	COCA-COLA EUROPEAN PARTNERS PLC				301 844		
	SWISS LIFE HOLDING AG				328 226		
	PARTNERS GROUP HOLDING AG				295 519		
	KUEHNE & NAGEL INTL AG				99 206		
	GEBERIT AG REG				296 693		
	GARMIN LTD				223 742		
	CHECK POINT SOFTWARE TECH				369 780		
	COVESTRO AG				1 880 023		
	CANADIAN TIRE CORP-CLASS A				589 428		
	GEA GROUP AG				34 593		
	HANNOVER RUECK SE				82 178		
	BRENNTAG AG				140 312		
	DOMINO'S PIZZA INC				34 388		
	DTE ENERGY CO				727 743		
	DUFRY AG				11 813 351		
	EDP - ENERGIAS DE PORTUGL				169 706		
	ENTERGY CORP				296 797		
	ERSTE GROUP BANK AG				2 485 645		
	EXPEDIA INC				440 931		
	FAST RETAILING CO				10 485 257		
	FLUOR CORP				2 411 304		
	ATOS				1 003 317		
	TELEPERFORMANCE SOCIETE EUROPEENNE				7 045 145		
	SOCIETE BIC SA				155 395		
	VALEO SA				1 608 714		
	FORTINET INC				5 727 277		
	MEGGITT PLC				2 034 680		
	TRAVIS PERKINS PLC				738 848		
	TATE & LYLE PLC				422 917		
	TAYLOR WIMPEY PLC				1 203 477		
	KINGFISHER PLC				2 122 841		
	FRESNILLO PLC				749 270		
	CONVATEC GROUP PLC				1 320 930		
	HASBRO INC				135 688		
	HEIDELBERGCEMENT FIN LUX				2 981 262		
	HUNTINGTON INGALLS INDUSTRIES				355 180		
	ENDO INTERNATIONAL PLC				16 224 916		
	INTERNATIONAL FLAVORS & FRAGRANCES				116 119		
	INGREDION INC				253 479		
	ITV PLC				3 310 374		
	INVESCO LTD				608 038		

PRADA S.P.A.				119 575		
AMDOCS LTD				1 259 730		
DCM HOLDINGS CO LTD				238 177		
DOUTOR NICHIRE HOLDINGS CO LT				111 107		
SANY HEAVY INDUSTRY CO LTD				6 693 916		
EVERG HEALTH				150 920		
SG HOLDINGS CO LTD				474 884		
A2A COMPANY				324 923		
ABERCROMBIE & FITCH				7 399 561		
ACCTON TECHNOLOGY CORP				4 320 787		
ADAPTIT HOLDINGS LTD				1 479 086		
ADVANSIX INC				1 022 413		
AEGEAN AIRLINES SA				268 457		
AIXTRON SE PERPETUAL				76 209		
ALASKA AIR GROUP INC				720 559		
ALIBABA GROUP HOLDING LTD				5 703 708		
A-LIVING SERVICES CO LTD				2 212 501		
ALLISON TRANSMISSION HOLDINGS				382 535		
AMBRA SA				337 077		
AMC Networks Inc				23 359 984		
APERAM SA				1 199 712		
APOLLO GLOBAL MANAGEMENT INC				59 527		
APPLIED INDUSTRIAL TECHNOLOGIE				283 661		
ARCUS JAPAN FD-ASSOCIATE				106 670 690		
ARCH RESOURCES INC				222 241		
OESTERREICHISCHE POST AG NPV				181 374		
ATLANTIC GRUPA				260 226		
ATKORE INC				57 711		
ATLAS AIR WORLDWIDE HOLDINGS				1 288 359		
WISETECH GLOBAL LTD				23 938		
AUDACY INC				9 050 607		
AUTOLIV INC				943 829		
EXPRESS INC				5 060 480		
BACHEM HOLDING AG				308 338		
BALLCORP				11 000 536		
BEAZER HOMES USA INC				1 526 759		
BEURT WORLD INTERNATIONAL				65 863		
BIOPHARMACEUTICAL COMPANY				161 360		
BLACKSTONE GROUP INC				334 400		
BOYD GAMING CORP				396 819		
BOOKING HOLDINGS INC				10 497 484		
DMC GLOBAL INC				147 953		
BRANDYWINE REALTY TRUST				266 452		
BIO-TECHNE CORP				298 388		
CACI INTERNATIONAL INC				402 553		
CANTEL MEDICAL CORP				131 848		
CARRIER GLOBAL CORP				1 409 691		
CARS.COM INC				4 417 958		
CATALENT INC				90 133		
CHICOS FAS INC				5 604 233		
COGECO CABLE INC				293 032		
COLRUYT				223 687		
COLUMBUS MCKINNON CORP				97 752		
COMARCH SA				232 330		
CONCENTRIX CORP				14 788 695		
CAPRI HOLDINGS LTD				2 218 742		
CREDITO VALTELLINESE SPA				68 954		
CURTISS-WRIGHT CORP				767 042		
CDW CORPORATION				465 144		
DANA INC				2 032 583		
DANEL ADIR YEOSHUA LTD				61 049		
DASSAULT SYSTEMES SA				5 542 666		
DECKERS OUTDOOR CORP				113 301		
DELL TECHNOLOGIES INC				1 238 177		
DESIGNER BRANDS INC				2 561 318		
DESPEGAR.COM CORP				723 274		
DIAMOND OFFSHORE				432 530		
DOCUSIGN INC				235 362		
DOHINGLTD				269 797		
EBARA CORP				277 975		
EBRO FOODS SA				98 436		
EIZO CORP				103 646		
EMCOR GROUP INC				254 265		
EMPIRE				64 290		
AXA EQUITABLE HOLDINGS I				9 956 016		
EUROCASH SA				319 229		
E.ON UTILITIES COMPANY				300 294		
EVOLUTION GAMING GROUP				504 862		
EVRAZ PLC				612 532		
EVERGY INC				479 554		
EW SCRIPPS COMPANY				1 419 586		
FACTSET RESH SYS INC				874 799		
FERGUSON FINANCE PLC				4 416 052		
X 5 RETAIL GROUP				548 333		
FOX CORP				13 592 329		

FS KKR CAPITAL CORP			172 166		
FUSO CHEMICAL CO LTD			46 421		
GANNETT CO INC			2 405 991		
QINETIQ GROUP PLC			1 053 751		
STOCK SPIRITS GROUP PLC			376 436		
INFORMA PLC			894 416		
GENTEX CORP			2 066 628		
GRACO INC			2 526 974		
GMS INC			65 396		
GROUP 1 AUTOMOTIVE INC			1 654 636		
GRAY TELEVISION INC			469 210		
GREENBRIECOSTHE			1 404 451		
FOURLIS HOLDINGS SA			170 704		
HALYK SAVINGS BANK OF KAZAKHST			647 483		
HARBOUR ENERGY PLC			815 912		
HEALIULTD			159 115		
HRVATSKE TELEKOMUNIKACJE			366 163		
IA FINANCIAL CORP INC			23 951		
IAMGOLD CORP			248 575		
IDEDUCATIONLTD			35 445		
INTER GAME TECHNOLOG			1 097 373		
IHEARTMEDIA INC			5 296 517		
GVC HLDGS PLC			6 248 420		
IMMOFINANZ AG			1 044 952		
INVESTORS BANCORP INC			258 148		
IR JAPAN HOLDINGS LTD			152 681		
TECHNOGYM S P A TECHNOGYM S P A			223 169		
JABIL INC			65 648		
JCR PHARMACEUTICALS CO LTD			393 375		
JD.COM INC			234 088		
WIZZ AIR HOLDINGS PLC			4 833 385		
SAWAI PHARMACEUTICAL			109 220		
SCSK CORP			26 057		
SENKO CO			125 338		
NIPPON TELEVISION HOLDINGS INC NPV			1 737 163		
FUJI MEDIA HOLDINGS INC			808 670		
KAHOOT COMPANY			58 598		
KIMBERLY CLARK CORP			786 308		
KEYERA CORP			39 622		
KORN FERRY MANAGEMENT COMPANY			276 179		
KS HOLDINGS CORP			192 194		
LAURENTIAN BANK OF CANADA			308 152		
LIBERTY OILFIELD SERVICES INC			831 509		
SIGNIFY NV			1 446 053		
LIONS GATE ENTERTAINMENT CORP			9 269 655		
LUKA KOPER			735 409		
LUMEN TECHNOLOGIES INC			1 969 792		
MAERSK SHIPPING COMPANY			4 909 421		
MAGNOLIA OIL & GAS CORP			139 528		
MANITOWOC COMPANY			1 927 464		
MD MEDICAL GROUP INVESTMENTS PLC			697 863		
MDU RESOURCES GROUP INC			1 042 408		
MELEXIS NV			157 068		
M&G PLC			77 335		
MIGROS TICARET AS			496 519		
MIDDLEBY CORPARATION			1 376 971		
MIDEA GROUP CO LTD			3 563 984		
MI HOMES INC			1 208 198		
MOVADO GROUP INC			941 543		
MSG NETWORKS INC			9 750 244		
MERITOR INC			1 410 281		
NAC KAZATOMPROM JSC			607 345		
NEWMARKET CORP			415 707		
NEXGEN ENERGY LTD			49 141		
NEXSTAR MEDIA GROUP INC			2 171 592		
NICHIREI CORP			114 578		
NIPPON FLOUR MILLS CO LTD			104 483		
NISSHIN OILLIO GROUP LTD			81 734		
NOVA LJUBLJANSKA BANKA DD			368 651		
NEW MOUNTAIN FINANCE CORP			114 676		
NOMAD FOODS LTD COMMON STOCK			9 593 630		
NORDEA BANK ABP			2 618 022		
NORMA GROUP SE			143 163		
NORTH WEST CO INC/THE			127 690		
NORTONLIFELOCK INC			113 958		
NOV INC			7 424 614		
FISHER & PAYKEL HEALTHCARE COR			163 094		
O-I GLASS INC			1 982 754		
OLD NATIONAL BANCORP			168 286		
OTIS WORLDWIDE CORP			1 692 091		
OVERSTOCK.COM INC			1 347 422		
PACWEST BANCORP			116 333		
PACTIV EVERGREEN INC			1 083 695		
PALANTIR TECHNOLOGIES INC			42 333		
PANDORA			25 395		

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KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND
SCHEDULE IB – CONTINUED
ASSETS HELD IN COMPLIANCE WITH REGULATION 28
As at 31 March 2021
INVESTMENT SUMMARY (REGULATION 28)

		Local R	Percentage of Fair %	Foreign R	Percentage of Fair %	Africa R	Percentage of Fair %	Total R
1	Balances or deposits, money market instruments issued by a bank including Islamic liquidity management financial instruments	305 948 755	4.07%	82 485 290	1.10%	0		388 434 045
2	Debt instruments including Islamic debt instruments	1 669 678 720	22.20%	0	0.00%	0	0.00%	1 669 678 720
3	Equities	3 143 303 149	41.80%	1 995 743 588	26.54%	0	0.00%	5 139 046 737
4	Immovable property	70 182 306	0.93%	8 384 017	0.11%			78 566 323
5	Commodities	45 290 703	0.60%	0				45 290 703
6	Investment in the business of a participating employer	0						0
7	Housing loans granted to members - section 19(5)	0						0
8	Hedge Funds, private equity funds and any other assets not referred to in this schedule	35 580 230	0.00	86 707 537	1.15%			122 287 766.16
9	Fair value of assets to be excluded in terms of sub-regulations 3(c) and (8)(b) of Regulation 28	76 672 167.21						76 672 167
10	Investments not disclosed/data not available for disclosure	0						0
	TOTAL (equal to the fair value of assets)	5 346 656 028		2 173 320 432		0		7 519 976 460

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

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

To the Board of Fund of the KwaZulu-Natal Joint Municipal Provident Fund

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

We have undertaken our engagement in accordance with Section 15 of the Pension Funds Act No. 24 of 1956, as amended (the Act) in order to provide the Board of Fund of the KwaZulu-Natal Joint Municipal Provident Fund (the Fund) with a reasonable assurance opinion that Schedule IB "Assets held in compliance with Regulation 28" (the Schedule) on pages 55 to 60 at 31 March 2021 is prepared in all material respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(j), (4), (8) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(j), (4), (8) and (9) as at 31 March 2021.

The Board of Fund's responsibility for the Schedule

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

Our Independence and Quality Control

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

The firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the Schedule is prepared in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(j), (4), (8) and (9) and whether the Fund

complies with Regulation 28 (3)(a), (3)(c), (3)(e)-(j), (4), (8) and (9) based on performing a reasonable assurance engagement.

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

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

Summary of work performed

We completed our audit of the annual financial statements of the KwaZulu-Natal Joint Municipal Provident Fund for the year ended 31 March 2021, prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, on which we issued an unmodified opinion on 30 September 2021. That audit was performed in accordance with International Standards on Auditing. Where appropriate, we have drawn on evidence obtained regarding information contained in the Schedule that has been extracted from the Fund's underlying accounting records that were the subject of our audit engagement on the annual financial statements and forms the subject matter of this engagement.

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

- Evaluating whether confirmations from financial institutions are in support of the records made available to us;
- Inspecting the required documentation in terms of Regulation 28(8)(b) for investments excluded from total assets in terms of Regulation 28(8)(b));
- Evaluating whether the investments are classified correctly per the categories of Schedule IB based on information obtained about the nature of investments from the financial institutions;
- Recalculating the percentages of assets held in relation to total assets; and
- Comparing the percentages calculated to the prescribed limits.

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

Opinion

In our opinion, the Schedule IB “Assets held in compliance with Regulation 28” at 31 March 2021 is prepared in all material respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(j), (4), (8) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(j), (4), (8) and (9) as at 31 March 2021.

Restriction on use

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

Auditor General

Pietermaritzburg

30 September 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

KWAZULU-NATAL JOINT MUNICIPAL PROVIDENT FUND

REPORT ON GOOD GOVERNANCE

This document presents the principles and practices adopted by management of the Fund, believed to be good governance in accordance with the objectives of The King Report on Governance in South Africa, (King IV).

<u>TRUSTEE INFORMATION</u>			
<u>TRUSTEE NAME</u>	<u>QUALIFICATION</u>	<u>EXPERIENCE</u>	<u>YEARS SERVICE ON BOARD OF TRUSTEES</u>
Mrs. M.S. Buthelezi Age 38	Human Resource Management Diploma Master's in business administration	11 years – Human resource officer	1 year 7 months
Mr. X. Dube Age 48	Artisans Builders Diploma	Local Government 1996 to date 22 years' service at eThekweni Municipality	18 Years, 8 months
Cllr. Y Nair Age 70	B A (Humanities) B A (Hons) B A (Management)	Education for 34 years School principal for 10 years Municipal councilor for 22 years Hibiscus Coast Development Agency trustee 13 years	6 Years, 2 months
Cllr. B. D. Madonsela Age 48	National Diploma in Public Finance Management and Administration	Audit Committee member for uMvoti Municipality 5 years Municipality Councilor	1 Year, 7 months
Mr. M.E. Ngcobo Age 44	Diploma in Business Management	Ugu District Municipality – Acting Manager Development Planning Chairperson – Ugu SAMWU	1 Year, 7 months
Cllr. Mr. M.V. Nyathi Age 46	NQF 6 (CPMD) certificate programme in management development (municipal finance). 10 years' experience as a	11 years as Councilor 11 years' service at Umuziwabantu Municipality	9 Years, 5 months

	councillor. Others N3 Electrical engineering.		
Mr. S.J. Mbuthuma Age 45	National Diploma Engineering: Mechanical UNISA: Advanced Project Management	Amajuba District Municipality – Maintenance and Operations Assistant director – 4 years uThukela Water – Maintenance Superintendent and GMR 2.1	1 Year, 7 months
Mr. W.M Funeka Age 45	B com – Business economics	years Standard bank Customer Sales consultant 3 years Impendle Municipality Treasury Interns	1 Year, 7 months
Mr. F.F. Zama Age 44	National Diploma Public Relations Management Diploma in Social & Political Studies	14 years in local government	6 Years, 7 months
Cllr Ms. T.N. Jojozi Age 53	Batchelor of Arts Certificate in Local Government Practice	14 years Educator Local Government councilor 2006 to date	1 Year, 7 months
Ms. Y.P. Joyi Age 37	Bachelor of Commerce degree Post Graduate Diploma Registered member of the Institute of the Internal Auditors SA and Chartered Institute of Government Finance	KZN Department of Cooperative Governance and Traditional Affairs: CFO Ithala Finance Development Corporation: Supply Chain Management Okhahlamba Local Municipality: CFO	1 Year, 7 months
Mr. D.A. Lemmer Age 52	National Diploma	Local Government 1992 to date at Uthukela Water	14 Years, 8 months
Cllr. Peer Fawzia Age 70	B A (Psychology & Sociology) Post Graduate Diploma in Industrial Relation	eThekweni Council Trustee: KZN Municipal Pension Fund (2005- 2016)	1 Year, 7 months

AUDIT SUB COMMITTEE

<u>Member Details</u>	<u>Qualification</u>
Mr. D.A. Lemmer (Chairperson)	National Diploma
Ms. T.B Mngadi	Administration certificate, Receptionist certificate
Mr. D. Hariram	National Diploma in Internal Auditing Post Graduate Diploma in Forensic Auditing and Criminal Justice Institute of Internal Auditors – General Internal Auditor Institute of Municipal Financial Officers – Associated Member
Cllr Ms. T.N. Jojozi	Batchelor of Arts Certificate in Local Government Practice
Mr. F.F. Zama	National Diploma Public Relations Management Diploma in Social & Political Studies
Mr. X. Dube	Artisans Builders Diploma

AMOUNTS PAID TO INDIVIDUAL COMMITTEE-MEMBERS IN SUBSISTENCE & TRAVELLING FOR ATTENDING MEETINGS *

Mrs. M. S. Buthelezi	R60 191.60 (18 meetings)
Mr. M. W. Funeka	R36 830.09 (19 meetings)
Cllr. M.V. Nyathi	R69 703.22 (23 meetings)
Mr. S.J. Mbuthuma	R99 214.82 (21 meetings)
Mr. Y. Nair	R73 346.95 (20 meetings)
Mr. X. Dube	R101 999.79 (48 meetings)
Mr. M. E. Ngcobo	R75 514.55 (18 meetings)
Cllr Ms. T. N. Jojozi	R66 643.25 (21 meetings)
Mr. D.A. Lemmer	R97 193.09 (25 meetings)
Mr. F.F Zama	R150 855.23 (44 meetings)
Cllr. B. D Madonsela	R50 864.53 (20 meetings)
Ms. Y. P Joyi	R6 270.50 (1 meeting)
Cllr. F. Peer	R40 718.50 (16 meetings)

* Members of the Board of Trustees are reimbursed in terms of the approved S&T policy.

OVERVIEW OF BASE REMUNERATION FOR STAFF

The Board of Trustees has reviewed and approved a Remuneration Policy which is a document that forms the basis for remuneration within the Fund. Organisations are dependent on their human capital to ensure that they achieve their strategic objectives and as such this policy forms the basis for the recruitment, retention and motivation of group of staff that consistently contribute to the achievement of the short and long-term objectives of the organization. The remuneration of employees is based on a total cost package (TCP), from which salary and

benefits are funded. This allows the employee flexibility in determining his/her take home pay within certain broad parameters and current legislation.

Total Cost of Employment is based on “cost to NJMPF” – this cost includes the total annual salary, retirement fund contribution, fringe benefits on car loans etc – and is determined in relation to the employees’ job and grade within the organisation.

Packages include:

- Basic salary
- 13th cheque
- Retirement fund contributions
- Contributions to medical aid and health insurance
- Car allowance / travel allowance (where applicable)
- Any allowance approved by the Board of Trustees
- Employer Unemployment Insurance Fund and Skills Development Levies are not included in Total Cost of Employment.

CHAIRPERSON

The rules of the Fund state that “The Board of Trustees must annually elect a Chairperson and Vice-Chairperson from amongst its members at the first meeting of the Board of Trustees in each calendar year”

During the year under review, the Chairperson was Mr X. Dube, and the Vice-Chairperson was Mr F. F. Zama.

ETHICS PERFORMANCE

The Fund has a Code of Conduct Policy which contains a set of rules outlining the responsibilities of, or proper practices for a Trustee, the Board of Trustees and the Fund. The policy provides the principles, values, standards or rules of behaviour that guide the decision, procedures and systems of the Fund in a way that it achieves its stated objective of providing superior retirement service, and benefits to members, beneficiaries and pensioners.

During the period under review, there was no breach in the Code of Conduct.

STAKEHOLDER ENGAGEMENT

The Fund is cognisant of the important role played by the various stakeholders in the affairs of the Fund. The Fund has adopted a Communication Policy which is regularly reviewed and approved by the Board of Trustees and practically implemented via a Communication Strategy. During the year under review, amongst others, the Fund had extensive engagements with members advising on the benefits offered by the fund and fostering an understanding of the

rules. Employers were encouraged to make additional contributions for excessive salaries granted to employees above the rate of inflation. Contact was made with the employer group SALGA and high-level engagement was held with National Treasury regarding the proposed retirement reforms. The Fund was awarded a number of awards by the Institute of Retirement Funds.

APPRAISAL OF THE BOARD OF TRUSTEES

A system of appraisal for the Board of Trustees is a key component of good corporate governance and as such, the Fund has a Performance Appraisal Policy. The purpose of this system of appraisal is to identify the expertise of the Board of Trustees and also to identify areas where improvements are necessary. This assists the Board of Trustees when determining the training required and place it in a position to recommend to the entities which appoint Committee Members areas where skills are required which may be taken into account for future appointments.

The intention of the system of appraisal is not punitive but rather a constructive tool, which will enable the Board of Trustees to track its progress, skills and development needs.

During the year under review the Fund achieved its overall Key Performance Objectives in communication, ethics, governance, and its long-term investment objectives to outperform their constructed benchmarks.

BOARD COMMITTEES

The Board of Trustees has appointed an Audit Sub-Committee and a Staff Sub-Committee, consisting of employee and employer representatives.

The purpose of the Audit Committee is to oversee the accounting and financial reporting processes of the Fund and audits of the financial statements. The overall objective is to assist the Board of Trustees to discharge its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of accurate financial reporting and financial statements, which shall be provided to members, regulators and others.

Membership consists of 4 members of the Board of Trustees, and where possible, shall have past employment in finance or accounting, professional certification, or comparable experience. The term of office shall be for one year, but members are eligible for re-appointment. The Chairperson and Deputy Chairperson attend the meetings on an Ex-officio basis.

The Staff Sub Committee was established to oversee the human resource processes of the Fund. The objective is to assist the Board of Trustees to discharge its duties relating to the human

resources administration, being legislative compliance, industrial relations, training and development and performance management.

Membership consists of 4 members of the Board of Trustees, who shall have past employment in human resources, requisite certification or comparable experience. The term of office shall be one year, but members are eligible for re-appointment. The Chairperson and Deputy Chairperson attend the meetings on an Ex-officio basis.

The Audit Committee found no material breaches during the financial year and resolved that the management and staff be commended for good governance and obtaining unqualified audit reports on the financial statements.

OPERATIONAL IMPACT ON ENVIRONMENT AND SOCIETY

Details of the positive and negative impact of the Funds operations on the environment and society are contained in the Chairpersons' Report which is tabled at the Annual General Meeting and subsequently made available to all stakeholders.

EVALUATION OF CHIEF FINANCIAL OFFICER AND FINANCE FUNCTION

The Audit Committee does review, and challenge where necessary, the actions and judgements of the Principal Officer and key finance staff such as the Chief Financial Officer and Chief Operations Officer, in relation to the financial statements and accounting procedures before submission to the Board of Trustees for approval. Particular attention is given to:

- Critical accounting policies and practices
- Decisions and significant financial estimates included in the financial statements
- The extent to which the financial statements are affected by unusual transactions
- The clarity of disclosures
- Significant adjustments resulting from the audit
- Compliance with accounting standards and legal requirements
- Reviewing the statement on internal control systems prior to endorsement by the Board of Trustees
- Whether the annual financial statements present a balanced and understandable assessment of the Fund's position, performance and prospects
- Any material post balance sheet events

The Rules of the Fund state that the annual financial statements be subject to audit by an independent auditor. The Minister of the Executive Committee for the province of KwaZulu-Natal responsible for Local Government and Traditional Affairs (the MEC) has appointed the Auditor General of South Africa as the independent auditor of the Fund.

The Audit Committee has reviewed the accounting practices and internal controls of the Fund and have approved the financial statements and resolved that they be approved by the Board of Trustees.