



**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 PENSION
FUND (RETIREMENT)**

**FINANCIAL SECTOR CONDUCT
AUTHORITY REGISTRATION NUMBER: 12/8/6676/2**

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 PENSION FUND (RETIREMENT)

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)
Cllr. Nair Yagabaram	director@njmpf.co.za	E	30.05.2014	
Cllr. Mr. Nyathi Mzwandile Victor	director@njmpf.co.za	E	19.08.2011	
Cllr Ms Jojozi Tiny Nosisa	director@njmpf.co.za	E	26.08.2019	
Mr. Dube Xolani	director@njmpf.co.za	M / C	30.11.2001	
Ms. Mngadi Thandi Barbara	director@njmpf.co.za	M	01.07.2002	
Mr. Madlala Dennis Mndeni	director@njmpf.co.za	M	22.02.2008	
Mr. Khanyile Mhlonipheni Solly	director@njmpf.co.za	M	18.01.2013	
Mr. Hoosen Abdul Rahaman	director@njmpf.co.za	M/P	07.07.2008	
Cllr. Madonsela Bhekisisa David	director@njmpf.co.za	E	26.08.2019	
Cllr. Peer Fawzia	director@njmpf.co.za	E	26.08.2019	
Ms Joyi Yali Phindugcobe	director@njmpf.co.za	E	26.08.2019	
Ms. Sibiya Busisiwe Virginia	director@njmpf.co.za	M	30.06.2014	

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

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**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

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

	Actuary/Valuator	Auditor
Full name:	Argen Actuarial Solutions	Auditor-General of South Africa
Postal address:	P O Box 413266, Craighall, 2024	Private Bag X9034, Pietermaritzburg, 3200
Physical address:	1 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	pmbraha@agsa.co.za

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)**REGULATORY INFORMATION - CONTINUED****For the year ended 31 March 2021**

	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		

	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 PENSION FUND (RETIREMENT)

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

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

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

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

Instances of non-compliance

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

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

STATEMENT OF RESPONSIBILITY BY THE BOARD OF FUND - CONTINUED

For the year ended 31 March 2021

These financial statements:

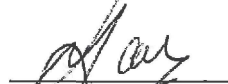
- were approved by the Board of Fund on; 27 September 2021
- are to the best of the Board members knowledge and belief confirmed to be complete and correct.
- fairly represent the net assets of the fund at 31 March 2021 as well as the results of its activities for the period then ended; and
- are signed 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.A.R. Hoosen
27 September 2021

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

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 Pension Fund (Retirement) has timeously submitted all regulatory and other returns, statements, documents and any other information as required in terms of the Pension Funds Act and to the best of my knowledge all applicable legislation.

PRINCIPAL OFFICER

A handwritten signature in black ink, appearing to be 'B. Mkhize', is written over a horizontal line.

Mr B. Mkhize
27 September 2021

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

SCHEDULE D

REPORT OF THE AUDITOR TO THE BOARD OF FUND

Insert the relevant report as indicated in the matrix below:

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 Pension Fund (Retirement)

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Kwazulu-Natal Joint Municipal Pension Fund (Retirement) 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 PENSION FUND (RETIREMENT)

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 pension fund and is a defined benefit fund.

1.2. Benefits

1.2.1. The Fund was established in 1967 as a defined contribution fund and was subsequently converted into a defined benefit fund in 1975. The Fund provides lump sum and monthly pension benefits to members upon early retirement from age 55 to normal retirement at age 65, and to spouses and eligible children upon the death of members, subject to the provisions of the Regulations, calculated on salary and service.

1.2.2 Unclaimed benefits

The Strategy of Board of Fund towards unclaimed benefits is to endeavour to trace beneficiaries and thus effect payment of unclaimed benefits. The Fund has maintained complete records, as prescribed, in respect of unclaimed benefits.

1.3. Contributions

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

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

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

1.3.1.2. Participating employers contribute at a rate of 18.37% of pensionable salary. A surcharge of 35.00% of members' salary has been charged to participating employers.

1.4. Rules/ amendments

1.4.1. Amendments (period under review)

There were no rule amendments during the 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

Solvency and Risk reserves – see note 21.

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

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

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

2.1.2. *Individual member choice: N/a*

2.1.3. *Unclaimed benefits: The strategy of the committee of management relative to unclaimed benefits is to endeavour to trace beneficiaries and thus effect payment of unclaimed benefits. The Fund has maintained complete records, as prescribed, in respect of unclaimed benefits.*

2.1.4. *Surplus apportionment allocations: N/a*

2.1.5. *Reserve accounts: N/a*

2.1.6. *Settlement income: N/a*

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

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

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

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

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

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

REPORT OF THE BOARD OF FUND - CONTINUED For the year ended 31 March 2021

2.2. Management of investments

KEY PERFORMANCE OBJECTIVES

The Long-Term Investment Objectives of the Funds as approved by the Board of Trustees 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%	Retirement Fund % Return
5 years to 31 st March 2021	9.4%	8.66%

Year	Retirement Fund % Return	*Investment Manager Benchmark
5 years to 31 st March 2021	8.66%	8.22%

The Fund did not achieve the long-term investment objective of at least CPI+5% over the 5 years to 31 March 2021. The Fund slightly outperformed the investment manager benchmark over the 5 years to 31 March 2021.

Source: Alexander Forbes

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

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

REPORT OF THE BOARD OF FUND - CONTINUED For the year ended 31 March 2021

3. MEMBERSHIP

	Active members	Deferred pensioners	Pensioners	Beneficiaries	Unclaimed benefits
Numbers at beginning of period	1,443	2	1,380	2,965	57
Adjustments			(28)	(63)	
Additions	9		113	120	
Transfers in					
Transfers out	(2)				
Withdrawals	(32)				
Retirements	(91)				
Retrenchments					
Deaths	(42)		(101)	(50)	
Transfers (from)/to pensioners / deferred pensioners Unclaimed Benefit paid					(1)
* Numbers at end of period	1,285	2	1,364	2,972	56

Number at end of period (South African citizen)	1,285	2	1,364	2,972	56
Number at end of period (non-South African citizen)	-	-	-	-	-

4. ACTUARIAL VALUATION

The financial statements summarise the transactions and net assets of the fund. The financial statements do not take account of liabilities to pay pensions and other benefits in the future. In accordance with the rules of the fund, the actuarial position of the fund, which does take account of such liabilities, is examined, and reported on by the actuary at intervals not exceeding three years. An statutory actuarial valuation was performed as at 31 March 2018 and the Valuator reported that the fund was not in a sound financial position, but the surcharge being paid is expected to restore the fund to a sound financial position within the period permitted by the FSB and Interim actuarial valuation was performed as at 31 March 2020, and Valuator reported that the fund was not in a sound financial position, but the reduction in funding level was mainly due to the impact of the Covid19 epidemic on financial markets, which has since partially recovered. The funding level of the fund improved to 97.1% after the market recovery and based on the position on 31 May 2020 (after the recovery) we still expect the surcharge of 35% of pensionable salaries to eliminate the deficit by 2021.

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 PENSION FUND (RETIREMENT)

7. INVESTMENTS IN PARTICIPATING EMPLOYERS

The fund holds no direct investments in the participating employer.

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
SCHEDULE F
STATEMENT OF NET ASSETS AND FUNDS
At 31 March 2021

	Notes	Mar 2021 R	Mar 2020 R
ASSETS			
Non-current assets		4 833 974 655.46	3 554 720 565.76
Plant and equipment	1	6 444 800.00	7 539 200.00
Investments (including investment and owner occupied properties)	2	4 827 529 855.46	3 547 181 365.76
Housing loan facilities	3	-	-
Surplus improperly utilised receivable	22	-	-
Current assets		55 427 797.70	43 044 565.39
Transfers receivable	5	-	-
Accounts receivable	4	468 325.32	422 771.33
Contributions receivable	12	9 707 367.35	3 734 794.89
Cash at bank		45 252 105.03	38 886 999.17
Surplus improperly utilised receivable	22	-	-
Total assets		4 889 402 453.16	3 597 765 131.15
FUNDS AND LIABILITIES			
Funds and surplus account		4 293 039 421.82	2 599 129 867.63
Accumulated funds		4 293 039 421.82	2 599 129 867.63
Member surplus account	21	-	-
Reserves		513 892 967.29	943 822 164.91
Reserve accounts	21	513 892 967.29	943 822 164.91
Revaluation reserve: Property, plant and equipment	6	-	-
Total funds and reserves		4 806 932 389.11	3 542 952 032.54
Non-current liabilities		3 654 547.64	3 592 116.46
Employer surplus account	21	-	-
Financial liabilities	16.1	-	-
Provisions	16.2	1 380 075.94	1 341 969.71
Unclaimed benefits	9	2 274 471.70	2 250 146.75
Current liabilities		78 815 516.41	51 220 982.15
Transfers payable	7	-	4 016 875.89
Benefits payable	8	77 552 243.24	46 680 653.24
Accounts payable	10	1 263 273.17	523 453.02
Retirement fund taxation	11	-	-
Contributions payable		-	-
Bank overdraft		-	-
Total funds and liabilities		4 889 402 453.16	3 597 765 131.15

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
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	161 406 410.71	-	161 406 410.71	167 513 694.34
Contributions transferred from reserve accounts	21	-	-	-	-
Contributions transferred from surplus accounts	21	-	-	-	-
Surplus improperly utilised	22	-	-	-	-
Reinsurance proceeds		-	-	-	-
Net investment income	13	1 417 011 880.17	-	1 417 011 880.17	(532 445 246.00)
(less) Allocated to unclaimed benefits		34 751.60	-	34 751.60	55 083.71
Other income	13.1	-	-	-	-
Less:		5 990 136.07	-	5 990 136.07	8 667 719.94
Re-insurance premiums		-	-	-	-
Administration expenses	14	5 990 136.07	-	5 990 136.07	8 667 719.94
Retirement fund taxation	11	-	-	-	-
Net income/(loss) before transfers and benefits		1 572 393 403.21	-	1 572 393 403.21	(373 654 355.31)
Transfers and benefits		(308 413 046.64)	-	(308 413 046.64)	(273 912 973.35)
Transfers from other funds	5	-	-	-	-
Transfers to other funds	7	-	-	-	(4 505 824.23)
Benefits	8	(308 413 046.64)	-	(308 413 046.64)	(269 407 149.12)
Net income/(loss) after transfers and benefits (carried forward)		1 263 980 356.57	-	1 263 980 356.57	(647 567 328.66)

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
STATEMENT OF CHANGES IN NET ASSETS AND FUNDS - CONTINUED
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 & 21	Mar 2021	Mar 2020
		R	R	R	R
Net income/(loss) after transfers and benefits (brought forward)		1 263 980 356.57	-	1 263 980 356.57	(647 567 328.66)
Funds and reserves		2 599 129 867.63	943 822 164.91	3 542 952 032.54	4 190 519 361.20
Balance at beginning of period		2 599 129 867.63	943 822 164.91	3 542 952 032.54	4 190 519 361.20
Prior period adjustments	15	-	-	-	-
Transfer between reserve accounts	21	3 863 110 224.20	943 822 164.91	4 806 932 389.11	3 542 952 032.54
Investment return allocated		429 929 197.62	(429 929 197.62)	-	-
Current members		-	-	-	-
Former members		-	-	-	-
Surplus and reserve accounts	21	-	-	-	-
Surplus apportionment	21	-	-	-	-
Revaluation surplus: Property, plant and equipment	6	-	-	-	-
		4 293 039 421.82	513 892 967.29	4 806 932 389.11	3 542 952 032.54
Transfer between reserve accounts		-	-	-	-
Employer surplus account		-	-	-	-
Member surplus account		-	-	-	-
		4 293 039 421.82	513 892 967.29	4 806 932 389.11	3 542 952 032.54
Allocations to/from surplus accounts		-	-	-	-
Benefits to former members		-	-	-	-
Surplus transfers payments		-	-	-	-
Benefit enhancements - other		-	-	-	-
Surplus transfers received		-	-	-	-
Balance at end of period		4 293 039 421.82	513 892 967.29	4 806 932 389.11	3 542 952 032.54

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
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 & 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 a financial liability is recognised when its contractual arrangements become binding and is derecognised when the contractual rights to the cash flows of the instrument expire or when such rights are transferred in a transaction in which substantially all risks and rewards of ownership of the instrument are transferred.

Financial instruments are carried on the statement of net assets and funds, and 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.

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.

Investments

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

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.

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

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.

Unlisted equities

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

Preference shares

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

Insurance policies

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 scheme

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 consists of options, equity linked instruments and futures/forwards.

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.

Accounts receivable

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

Cash and cash equivalents

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

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

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

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

Contingent liabilities

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

Contingent assets

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

Contributions

Contributions are measured at the fair value of the consideration receivable. These are accrued and recognised as income 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.

Benefits

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

Benefits 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.

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Interest on late payments of contributions

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

Dividend income, interest and rentals

- * Interest is recognised in the statement of changes in net assets and funds using the effective interest rate method.
- * Dividend income is recognised in the statement of changes in net assets and funds when the right to receive payment 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 in the period in which they arise.
- * All income derived from script lending is included in the investment income received note.
- * 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 or 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.

Transfers to and from the Fund

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

Accounting policies, changing in accounting estimates and errors

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

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 amounts 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.

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.

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

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 PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2021

1	Plant and equipment	A	B	C	D	E	A+B+C+D+E
1.1	Current period	Plant	Computer equipment & software	Office equipment	Furniture and fittings	Land and buildings	Total
		R	R	R	R	R	R
Gross carrying amount							
At beginning of period		-	-	-	-	7 539 200.00	7 539 200.00
Additions		-	-	-	-	-	-
Disposals		-	-	-	-	-	-
Revaluation reserve (note 6)		-	-	-	-	-	-
Other movements		-	-	-	-	(1 094 400.00)	(1 094 400.00)
At end of period		-	-	-	-	6 444 800.00	6 444 800.00
Accumulated depreciation and impairment							
At beginning of period		-	-	-	-	-	-
Depreciation charges		-	-	-	-	-	-
Accumulated depreciation on disposals		-	-	-	-	-	-
Impairment		-	-	-	-	-	-
Other movements		-	-	-	-	-	-
Net carrying amount at end of period		-	-	-	-	6 444 800.00	6 444 800.00

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 2021.

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
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	-	-	-	-	7 539 200.00	7 539 200.00
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluation reserve (note 6)	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
At end of period	-	-	-	-	7 539 200.00	7 539 200.00
Accumulated depreciation and impairment						
At beginning of period	-	-	-	-	-	-
Depreciation charges	-	-	-	-	-	-
Accumulated depreciation on disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Net carrying amount at end of period	-	-	-	-	7 539 200.00	7 539 200.00

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

2 Investments
2.1 Investment summary

	Local	Foreign	Total	Total	Fair value	Amortised cost	Categorised per
			Mar 2021	Mar 2020	Current period	Current period	Regulatory Framework
	R	R	R	R	R	R	R
Cash	62 251 725.95	-	62 251 725.95	127 033 263.53	62 251 725.95		
Commodities	29 727 159.98	-	29 727 159.98	38 258 380.68	29 727 159.98		
Debt Instruments including Islamic debt instruments	1 169 476 680.61	-	1 169 476 680.61	975 097 183.74	1 169 476 680.61		
Investment properties and Owner occupied	48 201 412.48	-	48 201 412.48	68 285 364.47	48 201 412.48		
Equities (including demutualisation shares)	1 835 735 881.89	-	1 835 735 881.89	2 233 732 663.33	1 835 735 881.89		
Insurance policies	-	-	-	-	-		
Collective investment schemes *	50 319 272.59	1 619 903 373.55	1 670 222 646.14	-	1 670 222 646.14		
Hedge funds	-	-	-	-	-		
Private equity funds	-	-	-	-	-		
Investment in participating employer(s)	-	-	-	-	-		
Derivative Market instruments	-	-	-	-	-		
Other assets	11 914 348.53	-	11 914 348.53	104 774 509.93	11 914 348.53		
Total investments	3 207 626 482.03	1 619 903 373.55	4 827 529 855.46	3 547 181 365.76	4 827 529 855.46	-	-

* 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 PENSION FUND (RETIREMENT)
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 PENSION FUND (RETIREMENT)
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 PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

2.3.2 Previous Period

[illegible]

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
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 97 members of the fund. The guarantees amounted to R3 974 274.68.
- 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.

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

4 Accounts receivable

	Mar 2021	Mar 2020
	R	R
Annuity refunds	39 127.47	25 229.89
Medical board fees	-	-
Late payment interest on contributions	19 504.33	29 660.70
Prepaid expenses	180 229.51	154 742.50
Pensioner payments	-	-
Sundry debtors	132 500.57	178 730.65
Refunds of pension over-payments	96 963.44	34 407.59
Pensionable service debtors	-	-
TOTAL	468 325.32	422 771.33

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

5 Transfers from other funds/ Transfers receivable

				A	B	C	D	A+B+C-D
	Effective date	No. of members	Applied for not yet approved (contingency)	At beginning of period	Transfers approved	Return on transfers	Assets transferred	At end of period
			R	R	R	R	R	R
Total transfers in terms of section 14*								
KwaZulu-Natal Joint Municipal Provident Fund		-	-	-	-	-	-	-
KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	01/04/2020 to 31/03/2021	-	-	-	-	-	-	-
Other		-		-	-	-	-	-
Total transfers in terms of section 15B/ 15E/ 15F*							-	-
Individual transfers			-	-	-	-	-	-
Total Prospective approvals in terms of section 14*								
Total		0	-	-	-	-	-	-
Transfers approved (B)			-					
Return on transfers (C)			-					
Statement of changes in net assets and funds			-					

6 Revaluation reserve - Property, plant and equipment	Mar 2021	Mar 2020
	R	R
At beginning of period	-	-
Revaluation	-	-
Impairments	-	-
Transfer to statement of changes in net assets and funds	-	-
At end of period	-	-

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

7 Transfers to other funds/ Transfers payable

	Effective date	No. of members	Applied for not yet approved (contingency) R	A	B	C	D	A+B+C-D
				At beginning	Transfers approved	Return on	Assets	At end of period
				of period		transfers	transferred	
				R	R	R	R	R
<hr/>								
Total transfers in terms of section 14*								
KZNJMPF		-	-	-	-	-	-	-
NJMPF (S)	01/04/2020	2	1 441 326.46	-	-	-	-	-
KZN Transfers	to	4	3 175 200.67	1 212 557.59	-	-	1 212 557.59	-
Transfers in terms of section 15B/15E/15F	31/03/2021	-	-	-	-	-	-	-
Individual transfers		-	-	-	-	-	-	-
Total Prospective approvals in terms of section 14*		-	-	-	-	-	-	-
Total		6	4 616 527.13	1 212 557.59	-	-	1 212 557.59	-
<hr/>								
Transfers approved (B)		-						
Return on transfers (C)		-						
Statement of Changes in Net Assets and Funds		-						
<hr/>								

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

8 Benefits
8.1 Benefits – current members

	A	B	C	D	E	A+B+C-D-E
	At beginning of period	Benefits for current period	Return allocated	Payments	Transferred to unclaimed benefits	At end of period
	R	R	R	R	R	R
Monthly pensions	11 163 187.40	209 920 466.05	-	200 910 255.54	-	20 173 397.91
Lump sums on retirements						-
Full benefit	16 112 196.18	52 167 600.22	677 928.33	38 925 239.20	-	30 032 485.53
Pensions commuted	-	-	-	-	-	-
Lump sums before retirement						-
Disability benefits	-	-	-	-	-	-
Death benefits	13 737 579.22	9 541 948.41	589 062.79	4 048 973.52	-	19 819 616.90
Withdrawal benefits > 10 years	5 582 779.58	29 997 176.80	516 997.97	33 237 241.85	-	2 859 712.50
Withdrawal benefits < 10 years	-	-	-	-	-	-
Minimum benefit payments made in terms of section 15						-
Defaults - housing loan facilities	-	-	-	-	-	-
Divorce payments	50 503.27	3 189 657.24	-	3 189 657.24	-	50 503.27
Other	2 804 318.30	1 411 063.74	401 145.09	-	-	4 616 527.13
Total (8.1)	49 450 563.95	306 227 912.46	2 185 134.18	280 311 367.35	-	77 552 243.24
Benefits for current period (B)	306 227 912.46					
Return allocated (C)	2 185 134.18					
Statement of changes in net assets and funds	308 413 046.64					

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the period 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)	49 450 563.95	306 227 912.46	2 185 134.18	280 311 367.35	-	77 552 243.24

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

9 Unclaimed benefits

	Mar 2021	Mar 2020
	R	R
At beginning of period	2 250 146.75	2 392 047.77
Transferred from benefits payable	-	-
Adjustments	-	-
Investment income allocated	34 751.60	55 083.71
Less:	10 426.65	196 984.73
Tracing expenses	(439.99)	(800.58)
Administration expenses	-	-
Other expenses	-	-
Benefits paid	10 866.64	197 785.31
Transferred to unclaimed benefits fund	-	-
Balance at end of period	2 274 471.70	2 250 146.75

10 Accounts payable

	Mar 2021	Mar 2020
	R	R
Actuary's fees	84 326.05	56 350.00
Contributions refundable	-	-
Contributions in advance	-	-
Pensions and tax payable	-	-
Sundry creditors	1 178 947.12	467 103.02
Unpaid pensions	-	-
	1 263 273.17	523 453.02

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

	Mar 2021	Mar 2020
	R	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 PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the period 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	244 901.38	18 370 953.89	-	17 384 931.36	1 230 923.90
Employer contributions - received and accrued	642 691.20	49 265 773.54	-	46 678 168.65	3 230 296.09
Additional contribution in respect of actuarial shortfall - employer	554 526.70	91 854 797.11	-	89 622 160.36	2 787 163.45
Additional contribution in respect of actuarial shortfall - member	66 908.64		-	-269 387.72	336 296.36
Additional voluntary contributions – members	-		-	-	-
Other (Excessive increases)	2 225 766.98	1 914 886.17	-	2 017 965.60	2 122 687.55
			-	-	
Total	3 734 794.89	161 406 410.71	-	155 433 838.25	9 707 367.35
Towards retirement	161 406 410.71				
Toward re-insurance and expenses	-				
Statement of changes in net assets and funds	161 406 410.71				

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
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		165 808 400.09	171 551 369.07
Dividends		57 013 498.56	61 685 677.71
Interest		108 794 901.53	109 862 348.48
Rentals		-	3 342.88
Collective investment schemes distribution		-	-
Income from insurance policies		-	-
Interest on late payment of contributions		295 481.77	274 186.18
Interest levied on surplus improperly utilised		-	-
Adjustment to fair value		1 272 099 855.28	(684 204 790.28)
Profit/loss on disposal of investments		60 842 037.14	35 600 008.10
Investments written up/down		1 211 257 818.14	(719 804 798.38)
Less: Expenses incurred in managing investments		(21 191 856.97)	(20 066 010.97)
Less: Interest paid on borrowings		-	-
Total		1 417 011 880.17	(532 445 246)

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			1 018 276.70	785 090.63
Administration fees			694 528.93	601 348.55
Audit fees			404 312.92	412 518.70
Audit services			404 312.92	412 518.70
Expenses			-	-
Other			-	-
Bad debts written off			24 395.78	59 672.86
Consultancy fees			356 529.77	1 788 154.06
Depreciation - at cost			-	-
Depreciation - at revaluation			-	-
Fidelity Insurance			171 127.00	160 169.86
Levies			88 138.34	89 142.27
Other			(132 500.57)	83 039.18
Actuarial adjustment			(132 500.57)	83 039.18
Member communication			157 470.15	351 686.93
Office expenses			327 242.55	364 833.26
Operating lease payments			-	-
Penalties			-	-
Principal officer expenses	14.3		164 602.47	208 234.97
Project costs			-	212 862.07
Staff expenses	14.2		2 072 784.37	2 695 154.88
Secretarial fees			-	-
Board of Fund expenses	14.1		643 227.66	855 811.72
Less: Amount allocated to unclaimed benefits	9		-	-
Total			5 990 136.07	8 667 719.94

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
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	485 345.29	470 599.23
Expenses	157 882.37	385 212.49
Other payments	-	-
Total	643 227.66	855 811.72

14.2 Staff expenses

	Mar 2021	Mar 2020
	R	R
Remuneration	1 751 159.22	2 196 171.50
Contributions to retirement fund	258 264.14	351 120.04
Training expenses	20 462.90	91 885.85
Other payments	42 898.11	55 977.49
Total	2 072 784.37	2 695 154.88

14.3 Principal Officer expenses

	Mar 2021	Mar 2020
	R	R
Fees as Board member	-	-
Remuneration	128 145.45	136 433.78
Allowances	-	-
Contributions to retirement fund	22 740.14	24 558.08
Bonus	13 716.87	47 243.11
Other payments	-	-
Total	164 602.47	208 234.97

15 Prior period adjustment

	Mar 2021	Mar 2020
	R	R
Benefits Adjustment	-	-
	-	-

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

16 Financial liabilities and provisions

16.1 Financial liabilities

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

16.2 Provisions

	Mar 2021 R	Mar 2020 R
Actuary's fees	620 195.00	585 120.00
Accumulated leave	83 685.29	85 718.62
Staff bonus	224 588.65	217 638.42
Audit fees	451 607.00	453 492.67
Consulting fees	-	-
TOTAL	1 380 075.94	1 341 969.71

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 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 PENSION FUND (RETIREMENT)
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 R164 602.47 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 R643 227.66 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 PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

21 Surplus and reserve accounts

[illegible]

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
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	Solvency reserve	Investment reserve	Risk reserve	Pensioner reserve	Other reserves
	R	R	R	R	R	R	R	R	R
Administration expenses	-	-	-	-	-	-	-	-	-
Retirement fund taxation	-	-	-	-	-	-	-	-	-
Net income before transfers and benefits	-	-	943 822 164.91	-	125 069 254.04	-	394 336 476.43	424 416 434.44	-
Transfers and benefits	-	-	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-
Net income after transfers and benefits	-	-	943 822 164.91	-	125 069 254.04	-	394 336 476.43	424 416 434.44	-
Transfer between reserve accounts			(429 929 197.62)		(125 069 254.04)	-	(304 859 943.58)	-	
Net investment return	-	-	-	-	-	-	-	-	-
Benefit enhancement – pensioners	-	-	-	-	-	-	-	-	-
Contribution holiday – after surplus apportionment	-	-	-	-	-	-	-	-	-
Contribution holiday – before surplus apportionment	-	-	-	-	-	-	-	-	-
At end of period	-	-	513 892 967.29	-	0.00	-	89 476 532.85	424 416 434.44	-

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
For the year ended 31 March 2021

22 Surplus improperly utilised receivable

	2021 R	2020 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

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

NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

Registration number: 12/8/6676

For the year ended 31 March 2021

SCHEDULE HB

REPORT OF THE VALUATOR

PARTICULARS OF FINANCIAL CONDITION OF THE FUND

The statement below is based on the 31 March 2018 statutory actuarial valuation report that was accepted by the Financial Sector Conduct Authority on 7 June 2019.

1. Net assets available for benefits ^(a): **R4 055 121 000**
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 055 121 000**
3. The actuarial present value of promised benefits ^(b), split into vested ^(c), and non-vested benefits at: **R3 369 772 000 – all vested**
4. Contingency reserve account allocations that were recommended in the actuarial valuation report:
Risk Reserve: R82 440 000
Solvency Reserve Pensioners (incl balance of Memorandum Account): R459 838 000
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:

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

Pre-retirement discount rate: 10%

Salary increases: 7% plus promotional scale

Post-retirement discount rate: 5%

Mortality pre retirement: Fund specific

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

The Risk Reserve is maintained in order to give some protection against fluctuations in mortality and morbidity experience of the members, and against the longevity risk of pensioners. Using the formulae set out in paragraph 4.4 of Circular PF117 a Risk Reserve of R 82.44 million is held.

The Memorandum Account was calculated as the accumulated value of the assets attributable to pensioners. The surplus of R 459 838 000 in the Memorandum Account for pensioners is retained as a contingency reserve (Solvency Reserve) and to provide for future minimum pension increases as prescribed by legislation and incorporated in the Fund's Regulations.

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

See paragraph 5.

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

The Employer and members are paying a surcharge for a period of 8 years to 2020, to meet the deficit in respect of contributory member liabilities of R 160.816 million. Excluding the surcharge, the "basic" contribution payable to the Fund by the Employer is 18.37% of pensionable earnings.

8. The Memorandum Account in respect of pensioners was fully funded. The Fund's liabilities for the contributory members exceeded the value of the assets and a surcharge (payable for 8 years to 2020) is expected to return the funding level of the Fund to 100%. Subject to this, the Fund was in a sound financial condition as at 31 March 2018.

Prepared by me:

A handwritten signature in black ink, reading "T. Doubell," with a comma at the end. The signature is written in a cursive style.

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 PENSION FUND (RETIREMENT) 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 Pension Fund (Retirement) (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 mandates and investment policy statement provide for securities lending transactions. Investments in hedge funds and private equity funds are not provided for in the investment policy statement or the investment mandates. Investments in derivatives are provided for in the investment mandates and investment policy statement.
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 year and, if so, (b) whether there was collateral provided by the counterparties) for any scrip lending activities and, if so, (c) the percentage exposure covered by the collateral. Report on the amount for a).	The direct confirmations received from the investment administrators indicated that: (a) scrip lending took place during the year. Scrip lending amounted to R 467,026,730 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)	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.

	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.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2	Select a random sample of the lesser of 25 or 10% of the number of members from the list of members and perform the following procedures:	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.1	Compare the member and employer contributions received and allocated for the members selected as reflected on the administrator's system, to information supplied by the participating employers for those members selected, for a randomly selected period of three months (including the last month of the year under review).	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.2	Compare the member and employer contribution rates for the members selected as reflected on the administrator's system, to the rules of the Fund, for a randomly selected period of three months (including the last month of the Year under review).	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.

	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-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
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-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.2.5	In respect of unitised investment products, compare the unit price(s) as per investment manager/actuary/other authorised party at the year-end to the unit prices on the administration system used to calculate each member's credits at year-end.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.

	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.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.3	Obtain a list of members who switched investment portfolios during the year from the Fund/administrator, select a random sample of the lesser of 25 or 10% of members who switched between investment portfolios during the year, and perform the following procedures:	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.3.1	Inspect evidence that the portfolios were switched in accordance with notification of the member's instruction/ investment strategy (including life stage models) of the Fund and within a timeframe as specified in the service level agreement or client mandate between the administrator and the Fund.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.3.2	Inquire as to whether any fees relating to switches were deducted, and if so, inspect evidence of the approval by the Board of Fund and/or in terms of a service level agreement or client mandate.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.

	Procedures	Findings
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. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.4.1	Compare the investments per product on the ALM reconciliation to the investment certificates in total.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.4.2	Compare the member individual accounts on the ALM reconciliation per investment portfolio to the administration system and to the total member individual accounts as disclosed in the Statement of Net Assets and Funds.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
2.4.3	Inspect whether the total mismatch (in Rand) for all portfolios was within the range as prescribed by the Registrar.	Not applicable. KwaZulu-KwaZulu-Natal Joint Municipal Pension Fund (Retirement) is a defined benefit fund.
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:	

	Procedures	Findings
3.1.1	Compare the member contributions received and allocated for the members selected as reflected on the administrator's system, to information supplied by the participating employers for those members selected, for a randomly selected period of three months (including the last month of the year under review).	The member contributions received and allocated for the members selected as reflected on the administrator's system agreed to information supplied by the participating employers for the three months selected: October 2020, February 2021 and March 2021.
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 payments made to members during the year.
4.1.1	<u>Active members:</u> Select a random sample of the lesser of 25 or 10% of number of active members to whom surplus has been apportioned in the approved surplus apportionment scheme and perform the following procedures:	Not applicable. There was no surplus apportionment scheme.
4.1.1.1	Agree the original surplus amount allocated to the selected member to the individual allocation on the member records per the administration system.	Not applicable. There was no surplus apportionment scheme.
4.1.1.2	Inspect whether the calculation of the relevant investment return from surplus apportionment date to date of allocation was in accordance with the requirements of the Act and allocated to the member records in the administration system.	Not applicable. There was no surplus apportionment scheme.

	Procedures	Findings
4.1.2	<p><u>Former members and pensioners:</u></p> <p>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:</p>	Not applicable. There was no surplus apportionment scheme.
4.1.2.1	Agree the original surplus amount allocated to the selected member and/or pensioner to the individual allocation on the member records per the administration system.	Not applicable. There was no surplus apportionment scheme.
4.1.2.2	Inspect whether the calculation of the relevant investment return from surplus apportionment date to date of allocation was in accordance with the requirements of the Act and allocated to the member records in the administration system.	Not applicable. There was no surplus apportionment scheme.
4.1.2.3	Agree the total of the amount calculated in 4.1.2.1 and 4.1.2.2 to the surplus benefit paid per selected member and to the applicable amount per the administration system and other authorised supporting documentation.	Not applicable. There was no surplus apportionment scheme.
5	Member and employer surplus accounts	

	Procedures	Findings
5.1	Obtain the analysis of the transactions in the member and/or employer surplus account per the annual financial statements, and perform the following procedure:	Not applicable. There are no surplus accounts in the annual financial statements.
5.1.1	Inspect that the transactions are permitted in terms of the registered rules of the Fund and/or the Act.	Not applicable. There was no surplus apportionment scheme.
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 (e.g. pensioner accounts) and the movements per the financial statements and/or in the actuarial valuation, and performed the following procedures:
6.1.1	Inspect whether the reserve and other related accounts (e.g. pensioner accounts) held by the Fund and/or reflected in the actuarial valuation are in accordance with the registered rules of the Fund.	The solvency reserve and risk reserve held by the Fund and reflected in the actuarial valuation were in accordance with the registered rules of the Fund.
6.1.2	Inspect that the movements in reserves as disclosed in the annual financial statements are permitted in terms of the registered rules of the Fund and/or the Act.	The movements in the solvency and risk reserve as disclosed in the annual financial statements were permitted in terms of the registered rules of the Fund and/or the Act.
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 31 March 2021, and perform the following procedure:	Not applicable. The fund rules do not make provision for granting of housing loans.

	Procedures	Findings
7.1.1	Agree the total housing loans on the above list to the corresponding account in the annual financial statements.	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2	From the list in 7.1, randomly select a sample of the lesser of 25 or 10% of the number of members' housing loans granted and perform the following procedures:	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.1	Inspect evidence that the value of the housing loan provided does not exceed the amount permitted by the rules and the home loan agreement.	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.2	Inspect evidence that the housing loan has been granted in terms of Section 19(5) (a).	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.3	Inspect evidence that repayments are being made in accordance with the housing loan agreement.	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.4	Inspect the interest charged on the outstanding housing loan and compare the rate used to the prescribed rate.	Not applicable. The fund rules do not make provision for granting of housing loans.
7.2.5	If the Fund issued more than 100 housing loans or the total principal debt of all outstanding loans exceeded R500 000, inquire whether the Fund was registered as a credit provider under the National Credit Act, 2005 (the NCA).	Not applicable. The fund rules do not make provision for granting of housing loans.
7.3	Obtain the list of housing loan guarantees and select a sample of the lesser of 25 or 10% of the number of housing loan guarantees and perform the following procedures:	Obtained the list of housing loan guarantees and performed the following procedures:

	Procedures	Findings
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 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.
	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.

	Procedures	Findings
8.1.2	Inspect the bank statements for the date on which the cash was received to determine whether the contributions were deposited with a registered bank in accordance with section 13A of the Act and whether late payment interest has been raised in terms of regulation 33, where applicable.	Contributions were deposited with a registered bank in accordance with section 13A of the Act. The participating employers from the sample selected made payment on time for the three months selected, therefore late payment interest is not applicable.
8.2	Select a sample of the lesser of 25 or 10% of the number of participating employers or pay points which reflect arrear contributions (whichever is the lower) at year-end from a list supplied by the Fund/administrator and perform the following procedure:	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> <tr> <th>Municipality name</th><th>Amount</th><th>Date of receipt</th></tr> <tr> <td>Mooi Mpofana Municipality</td><td>R57,936.31</td><td>14/04/2021</td></tr> </table>	Municipality name	Amount	Date of receipt	Mooi Mpofana Municipality	R57,936.31	14/04/2021
Municipality name	Amount	Date of receipt						
Mooi Mpofana Municipality	R57,936.31	14/04/2021						
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 performed the following procedure:						
9.1.1	Compare the list to the respective general ledger benefit expense accounts reconciliation.	The detailed list had been agreed to the respective general ledger benefit expense accounts reconciliation.						

	Procedures	Findings
9.2	Select a sample of the lesser of 25 benefits or 10% of the total number of benefits from the list and perform the following procedures:	
9.2.1	Compare the benefit per selected member to the administration system and authorised supporting documentation in accordance with the procedures of the Fund.	The benefit paid agreed to the administration system and authorised supporting documentation in accordance with the procedures of the Fund.
9.2.2	For death benefits, where a portion of the benefit had been reinsured by the Fund, inspect a bank deposit or an accrual raised for the recovery from the insurer.	Not applicable. The Fund is self-insured
9.2.3	<p><u>For a defined benefit fund and hybrid funds with a defined benefit underpin</u> Inspect that the calculation of the benefit payment was done by the actuary in accordance with the requirements of the rules of the Fund and/or the Act. <u>For a defined contribution fund</u> Agree the opening fund credit for the member to the opening fund credit report and determine whether contributions were added every month until the date of exit (either by Rand amount or in the case of unitised funds, by units). Agree the balance paid out to the member (inclusive of late payment interest where applicable) to the fund credit report or administration system as at the date of exit.</p>	<p><u>For a defined benefit fund and hybrid funds with a defined benefit underpin</u> The calculation of the benefit payment by the actuary was done in agreement with the requirements of the rules of the Pension Fund Act.</p> <p><u>For a defined contribution fund</u> Not applicable</p>

	Procedures	Findings
9.3	Obtain a list of all benefits not yet paid at [period/year-end], select a sample of the lesser of 25 benefits or 10% of the total number of benefits from the list and perform the following procedure:	Obtained a list of all benefits not yet paid at year-end, and performed the following procedure:
9.3.1	Agree whether the benefits that are older than the period as set out in the Act or a shorter period defined by the Rules are classified as unclaimed benefits.	The benefits that were older than the period as set out in the Act or a shorter period defined by the Rules were classified as unclaimed benefits.
10	Transfers	
10.1	Compare the list of total section 14 transfers to and from the Fund to the corresponding accounts in the general ledger.	The list of total section 14 transfers to and from the Fund agreed to the corresponding account in the general ledger.
10.2	From the list of section 14 transfers paid/received and accrued to and from the Fund throughout the year select a sample of the lesser of 25 or 10% of the number of transfers in and the lesser of 25 or 10% of the number of transfers out, and perform the following procedures:	
10.2.1	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 to and 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 to other funds were paid within 60 days of Registrar approval for Section 14(1) transfers. Growth and investment return had been allocated from the effective date of the transfer to the 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 Pension Fund (Retirement) 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 throughout the year ended 31 March 2021.
10.3.1	Agree the transfers to the approved recognition of transfer documentation.	Not applicable. There were no individual transfers throughout the year ended 31 March 2021.

	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. There were no individual transfers throughout the year ended 31 March 2021.
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:	Obtained a copy of the list of pensioners and amounts paid for the year from the administration system and performed the following procedure:
11.1.1	Agree the total pensions paid for the year ended 31 March 2021 to the corresponding account reconciliation to the general ledger balance.	Agreed the total pensions paid for the year ended 31 March 2021 to the corresponding account reconciliation and the general ledger balances.
11.2	Select a sample of the lesser of 25 or 10 % of the number of pensioners paid directly from the fund from the above list and perform the following procedures:	
11.2.1	Inspect the pensioner increases for authorisation by the Board of Fund.	The pensioner increases were authorised by the Board of Fund.
11.2.2	Inspect evidence obtained by the administrator/Fund supporting the fact that the pensioners selected exist.	Inspected the declaration forms which indicated that the pensioners selected existed.

	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 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.	A scheme, as required in terms of section 18 of the Act in South Africa, had been approved by the Registrar.

SCHEDULE IA - INVESTMENT SCHEDULE

At 31 March 2021

Investments ¹															
		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 Schedule E	TOTAL as per Regulation 28 (schedule 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	107 503 831	60 414 952	0	0	0	167 918 783	107 503 831	60 414 952	0	60 414 952	1.24%	0,00	0,00	167 918 783
Commodities	B	29 727 160	0	0	0	0	29 727 160	29 727 160	0	0	0	0,00%	0,00	0,00	29 727 160
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	1 169 476 681	0	0	0	0	1 169 476 681	1 169 476 681	0	0	0	0,00%	0,00	0,00	1 169 476 681
Investment Properties and owner occupied properties	D	48 201 412	5 890 082	0	0	0	54 091 495	48 201 412	5 890 082	0	5 890 082	0,12%	0,00	0,00	54 091 495
Equities	E	1 835 735 882	1 551 670 927	0	0	0	3 387 406 809	1 835 735 882	1 551 670 927	0	1 551 670 927	31,84%	0,00	0,00	3 387 406 809
Derivative Market Instruments	G	0,00	-	0,00	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	11 914 349	1 927 412	0	0	0	13 841 761	11 914 349	1 927 412	0	1 927 412	0,00%	0,00	0,00	13 841 761
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	50 319 273	50 319 273	50 319 273	0	0	0	0,00%	0,00	0,00	50 319 273
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		3 202 559 314	1 619 903 374	0	0	50 319 273	4 872 781 961	3 252 878 587	1 619 903 374	0	1 619 903 374	33,24%	nn	0,00	4 872 781 961

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 PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
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	107 503 830.98
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	103 796 335.10
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	-90 288.16
Any positive net balance in a margin account with an exchange List issuers/entities which exceeds 5% of total assets	3 797 784.04
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>107 503 830.98</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 NEW GOLD ISSUER LTD	Local	85 442	60.23%	20 099 376.08
NEW PLAT	Local	56 415	39.77%	9 627 783.90
Other: Zambezi Platinum RF	Local	-		-
Total Commodities		141 857.00	100.00%	29 727 159.98

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

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

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:					
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		1162417750 1162417750	990 333 006.77 990 333 006.77
Debt instruments issued or guaranteed by the government of a foreign country: List issuers/entities which exceeds 5% of total assets	Foreign	Secured/ Unsecured		0	-
Bank debt : Debt instruments issued or guaranteed by a South African Bank against its balance sheet:-	Local	Secured/ Unsecured		80554648	86 173 054.80
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 prescribed - List issuers/entities which exceeds 5% of total assets	Local	Secured/ Unsecured		52177269	55 224 058.76
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		28377379	30 948 996.04
Not listed on an exchange (provide details)					-

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

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:-				51935095	48 001 305.86
1.Airports Company of South Africa Limited	Local			3790000	4 276 324.85
2.Development Bank of South Africa	Local			7150000	7 256 564.67
3.ESKOM	Local			21341095	16 094 110.20
4.Industrial Development Corporation of South Africa	Local				-
5.Land and Agricultural Development Bank of South Africa	Local				-
6.Trans – Caledon Tunnel Authority	Local			0	-
7.Transnet Limited	Local			11040000	11 586 593.78
8.The South African National Roads Agency Limited	Local			6214000	6 496 248.76
9.Rand Water	Local			2400000	2 291 463.60
10.Umgeni Water	Local			0	-
Corporate debt (excluding debentures):	Local			23055485	32 557 738.05
Debt instruments issued or guaranteed by an entity that has equity listed on an exchange					
Listed on an exchange List issuers/entities which exceeds 5% of total assets	Local			23055485	32 557 738.05
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					-
Other	Local			1904982	12 411 575.13
Listed on an exchange: List issuers/entities which exceeds 5% of total assets				0	-
Not listed on an exchange				1 904 981.74	12 411 575.13
LAL INTERNAL BOND	Local			1904982	12 411 575.13
TOTAL DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS					1 169 476 680.61

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

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		
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:						48 201 412.48
Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	Local	11291177750	1478558		0.01%	28 525 828.27
List issuers/entities which exceeds 5% of total assets						
Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	Local	3082404907	1684428		0.05%	18 400 926.80
List issuers/entities which exceeds 5% of total assets						
Issuer market capitalisation of less than R3 billion, or an amount or conditions as prescribed	Local	3874543678	905001		0.02%	1 274 657.41
List issuers/entities which exceeds 5% of total assets						
Shares in property companies and linked units in property companies, <u>not listed</u> on an exchange:						
Provide details						
TOTAL						48 201 412.48

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 PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
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						1 835 735 881.89
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	14849320	0.02%	1 666 284 005.03
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	10655811	0.04%	150 422 444.52
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	4720899037	Ordinary	4720941	0.10%	19 029 432.34
Unlisted equities				2232991		0.89
BHP GROUP PLC	Local			877 785		0.88
AFBL RESID SUB STUB	Local			9 206		0.01
JCD LTD (UNLISTED)	Local			1 346 000		-
TOTAL EQUITIES						<u>1 835 735 882.78</u>

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

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	126 762 610.85	3 257 539	Nedbank	Nedbank	3 079 475.00
Other listed equities (<i>provide details</i>)	50%							
Debt – Government bonds	75%		Various	340 264 119.49	405 039 228	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				467 026 730.34	408 296 767			3 079 475.00

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

List and describe your scrip lending mandates

Name of lender	Description	% of total assets	Value of transaction R
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	PRUDENTIAL 8882034410	50%	153 477 610.41
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	CORONATION 8882034380	50%	143 710 512.54
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	FOORD 110135170165	50%	89 154 297.87
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	KAGISO110135670037	50%	24 067 192.98
NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)	INVESTEC110137570357	50%	56 617 116.54
Total			467 026 730.34

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				30 424 268.69	30 424 268.69						SAFEX		379	
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

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 PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
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 PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
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
CCOREA	Local	39911745		11 914 348.53
Total other portfolio assets				11 914 348.53

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

NOTES TO THE INVESTMENT SCHEDULE

For the period ended 31 March 2021

K PRIVATE EQUITY FUNDS

Annexur

Instrument	Local or Foreign	Structure	Category 2 approval	FAIS approval number	% Holding	Term of contract	Number of permitted drawdowns as per	Number of permitted drawdowns	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 PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
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	50 319 272.59
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		50 319 272.59

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	12.21%	404 007 839.71
INVESTEC	F	13.84%	356 543 288.36
WALTER SCOTT	F	12.48%	364 525 475.35
SEI	F	16.95%	494 826 770.13
Total Non-compliant Collective investment schemes			1 619 903 373.55

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 PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)

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	232 907 504.03	46 924 366.81	0.00	0.00	0.00	142 638 984.82	422 470 855.66	8.75%
ABSA BANK	31 032 388.17	0.00	0.00	0.00	0.00	4 315 676.72	35 348 064.89	0.73%
AFRICAN BANK LIMITED	0.88	0.00	0.00	0.00	0.00	10 015 931.16	10 015 932.04	0.21%
LAND AND AGRICULTURAL BANK OF SA	0.00	0.00	0.00	0.00	0.00	271 017.52	271 017.52	0.01%
BARCLAYS AFRICA GROUP LTD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
CAPITEC BANK LIMITED	8 273 407.68	0.00	0.00	0.00	0.00	0.00	8 273 407.68	0.17%
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	7 256 564.67	7 256 564.67	0.15%
FIRST RAND LIMITED	93 177 868.26	0.00	0.00	0.00	0.00	34 835 825.38	128 013 693.64	2.65%
INVESTEC BANK LTD	15 033 141.72	0.00	0.00	0.00	0.00	49 028 635.99	64 061 777.71	1.33%
NEDBANK GROUP LTD	14 575 540.00	25 344 565.62	0.00	0.00	0.00	21 771 726.37	61 691 831.99	1.28%
RMB HOLDINGS	6 979 063.98	3 729 243.16	0.00	0.00	0.00	0.00	10 708 307.14	0.22%
STANDARD BANK OF SA	63 836 093.34	14 052 773.99	0.00	0.00	0.00	15 143 607.01	93 032 474.34	1.93%
SAFEXX	0.00	3 797 784.04	0.00	0.00	0.00	0.00	3 797 784.04	0.08%
ASSET MANAGERS LOCAL	19 274 410.95	16 656 100.66	0.00	0.00	0.00	29 502.99	35 960 014.60	0.74%
CORONATION FUND MANAGERS	6 099 075.60	16 656 100.66	0.00	0.00	0.00	29 502.99	22 784 679.25	0.47%
PRUDENTIAL PORT MGR	13 175 335.35	0.00	0.00	0.00	0.00	0.00	13 175 335.35	0.27%
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	1 619 903 373.55	1 619 903 373.55	33.56%
CONTRARIUS	0.00	0.00	0.00	0.00	0.00	356 543 288.36	356 543 288.36	7.39%
INVESTEC	0.00	0.00	0.00	0.00	0.00	364 525 475.35	364 525 475.35	7.55%
SEI INVESTMENTS	0.00	0.00	0.00	0.00	0.00	494 826 770.13	494 826 770.13	10.25%
WALTER SCOTT & PARTNERS	0.00	0.00	0.00	0.00	0.00	404 007 839.71	404 007 839.71	8.37%
INSURANCE COMPANIES	39 797 572.23	0.00	0.00	0.00	0.00	8 680 965.39	48 478 537.62	1.00%
ALEXANDER FORBES	1 768 375.10	0.00	0.00	0.00	0.00	0.00	1 768 375.10	0.04%
DISCOVERY HLD	1 524 272.26	0.00	0.00	0.00	0.00	2 750 238.60	4 274 510.86	0.09%
LIBERTY GROUP LTD	0.00	0.00	0.00	0.00	0.00	783 402.29	783 402.29	0.02%
OLD MUTUAL	0.00	0.00	0.00	0.00	0.00	2 276 763.15	2 276 763.15	0.05%
MMI HOLDINGS	0.00	0.00	0.00	0.00	0.00	2 443 296.74	2 443 296.74	0.05%
PSG KONSULT LIMITED	11 900 543.30	0.00	0.00	0.00	0.00	0.00	11 900 543.30	0.25%
SANLAM	17 454 017.41	0.00	0.00	0.00	0.00	0.00	17 454 017.41	0.36%
SANTAM LIMITED	7 150 364.16	0.00	0.00	0.00	0.00	427 264.61	7 577 628.77	0.16%
TOTAL	291 979 487.21	63 580 467.47	0.00	0.00	0.00	1 771 252 826.75	2 126 812 781.43	44.06%
PARTICIPATING EMPLOYERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
TOTAL	291 979 487.21	63 580 467.47	0.00	0.00	0.00	1 771 252 826.75	2 126 812 781.43	44.06%

FAIR ASSET VALUE OF THE FUND

4 827 529 856

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND - RETIREMENT (REF. NO. 12/8/6676/2)
SCHEDULE IA PERTAINING TO ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2021

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 <small>Note 1</small>	Total
Cash	62 251 725.95		45 252 105.03		60 414 952.12						167 918 783.10
Commodities	29 727 159.98										29 727 159.98
Housing Loans											-
Debt instruments including Islamic debt instruments	1 169 476 680.61										1 169 476 680.61
Investment properties and owner occupied properties	48 201 412.48				5 890 082.39						54 091 494.87
Equities	1 835 735 881.89				1 551 670 926.76						3 387 406 808.65
Investments in participating employers											-
Hedge Funds											-
Private Equity Funds											-
Derivative market instruments											-
Collective Investment Schemes	1 670 222 646.14				-1 619 903 373.55						50 319 272.59
Insurance Policies											-
Entities regulated ito Reg 28(8)(b)(iv)											-
Investments not disclosed /data not available for disclosure by entities											-
Other assets	11 914 348.53				1 927 412.28						13 841 760.81
TOTAL INVESTMENTS	4 827 529 855.58		45 252 105.03		-0.00						4 872 781 960.61

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):

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

SCHEDULE IB

ASSETS HELD IN COMPLIANCE WITH REGULATION 28

As at 31 March 2021

		Fair value R
A	Total assets (Schedule IA -Total investments)	4 872 781 961
B1	Less: Reg 28 compliant investments	50 319 273
	(certificate received from issuing entity):-	
	B.1.1 Collective Investment Schemes (Reg 28(8)(b)(i))	50 319 273
	B.1.2 Linked Policies (Reg 28(8)(b)(ii))	-
	B.1.3 Non-Linked policies (Reg 28(8)(b)(iii))	-
	B.1.4 Entity regulated by FSB (Reg 28(8)(b)(iv))	-
B2	Less: Reg 28 Excluded investments	-
	B.2.1 Insurance Policies (Reg 28(3)(c))	-
C	Less: Investments not disclosed /data not available for disclosure [Refer Schedule IAN]	-
D	TOTAL ASSETS for REGULATION 28 DISCLOSURE	4 822 462 688

			R
1	CASH	100%	167 918 784
1.1	Notes, deposits, money market instruments issued by a South	100%	107 503 832
(a)	Notes and coins, any balance or deposit in an account held with a		103 796 336
	-per issuer/entity	25%	
	FIRSTRAND BANK LTD		3 729 243
	Standard Bank Of Sa		42 000 666
	Standard Bank of SA - held by the Fund		12 814 321
	Cash - held by Fund		45 252 106
(b)	A money market instrument issued by a South African bank including		-
	-per issuer/entity	25%	-90 288
	NEDBANK LTD		-90 288
(c)	Any positive net balance in a margin account with an exchange		3 797 784
	-per issuer/entity	25%	
	SAFEX - margin		2 174 226
	SAFEX - derivatives		1 623 558
(d)	Any positive net balance in a settlement account with an exchange,		-
	-per issuer/entity	25%	-
	STATE STREET CORP		-
1.2	Balances or deposits, money market instruments issued by a	SARB maximum limits	60 414 952
(a)	Any balance or deposit held with a foreign bank		60 414 952
	-per issuer/entity	5%	
	BNP PARIBAS RETAIL BANKING		4 313 862
	BANK OF NEW YORK		39 943 639
	AUSTRALIAN DOLLAR		2 920 842
	CANADIAN DOLLAR		4 932 057
	SWISS FRANC		-1 593 611
	DANISH KRONE		3 452
	EURO CURRENCY		745 911
	HONG KONG DOLLAR		581 682
	ISRAELI SHEKEL		46 371
	JAPANESE YEN		-11 607 921
	NORWEGIAN KRONE		13
	NEW ZEALAND DOLLAR		5
	SWEDISH KRONA		-435 081
	SINGAPORE DOLLAR		70 556
	US DOLLAR		11 575 780
	STATE STREET CORP		8 917 395
(b)	Any balance or deposit held with an African		-
	-per issuer/entity	5%	-
(c)	A money market instrument issued by a foreign bank including an		-
	-per issuer/entity	5%	-

2	DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS	100% issued/ guarantee by Republic otherwise 75%	1 169 476 681
2.1	Inside the Republic	75/100%	1 169 476 681
(a)	Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%	1 006 200 569

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

3	EQUITIES	75%	3 387 406 808
3.1	Inside the Republic	75%	1 835 735 882
(a)	Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange:-	75%	1 786 677 595
(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	1 531 256 728
	-per issuer	15%	
	ABSA BANK LTD		31 032 389
	ANGLO AMERICAN PLC		80 966 543
	ANGLO AMERICAN PLATINUM LIMITED	-	45 853 708
	ANGLOGOLD LTD		16 464 369
	ANHEUSER-BUSCH INBEV SA		40 040 284
	ASPEN PHARMACARE HOLDINGS LTD		40 310 076
	AVI LIMITED		13 607 562
	BRAIT SA		2 278 992
	BHP GROUP PLC		48 809 390
	BID CORPORATION LTD		45 434 405
	BRITISH AMERICAN TOBACCO PLC SHARES		89 507 302
	BIDVEST GROUP LTD		18 213 157
	CFR RICHMONT		39 351 700
	CIE FINANCIERE RICHEMONT		887 918
	CORONATION FUND MANAGERS LTD		6 099 076
	CAPITEC BANK LIMITED		8 273 408
	DISTELL GROUP LTD		2 388 382
	DISCOVERY HOLDINGS LTD		1 524 272
	EXXARO RESOURCES LTD		33 657 036
	FIRSTRAND BANK LTD		99 895 119
	FOSCHINI GROUP LTD		30 392 121
	GOLD FIELDS LTD		6 454 444
	GLENCORE XSTRATA PLC		43 222 184
	IMPALA PLATINUM HOLDINGS LTD		52 898 596
	INVESTEC BANK LTD		14 369 710
	LIFE HEALTHCARE GROUP HOLDINGS LTD		4 284 434
	MULTICHOICE GROUP		20 824 007
	MEDICLINIC INTERNATIONAL PLC		5 285 893
	MONDI PLC		3 491 549
	MR PRICE GROUP LTD		9 038 489
	MASSMART HLD		3 123 670
	MTN GROUP LTD		50 950 553
	NEDBANK LTD		14 575 540
	NORTHAM PLATINUM LTD		37 989 545
	NASPERS LTD		242 228 270
	NETCARE LTD		5 893 800
	OCEANA GROUP LTD		11 217 888
	OLD MUTUAL LTD		15 200 432
	PICK 'N PAY STORES LIMITED		11 192 309
	PEPKOR HOLDINGS LTD		17 100 060
	PSG GROUP LTD		7 462 049
	RAINBOW CHICKEN LIMITED		1 061 258
	REMGRO LTD		16 347 344
	REINET INVESTMENT SCA		6 814 347
	SOUTH32 LIMITED		965 196
	SAPPI LTD		10 871 537
	SIBANYE GOLD LTD		23 162 945
	SHOPRITE HOLDINGS LTD		16 868 560
	SANLAM LTD		17 454 017

	SANTAM LTD		7 150 364		
	SASOL LTD		41 627 418		
	SPAR GROUP LIMITED		26 424 333		
	STANDARD BANK OF SA		63 836 093		
	TIGER BRANDS LTD		2 542 910		
	TELKOM SA LIMITED		2 943 893		
	TRUWORTHS INTERNATIONAL LIMITED		13 201 113		
	VODACOM GROUP LTD		5 993 057		
	WOOLWORTHS HOLDINGS LTD		2 201 712		
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%	112 340 888		
	-per issuer	10%			
	ADCTECH LTD		3 674 539		
	ALEXANDER FORBES		1 768 375		
	AECI LTD		3 649 222		
	ASTRAL FOODS LTD		462 133		
	ALLIED ELECTRONICS CORPORATION LIMITED		4 097 300		
	BRIMSTONE INVESTMENT CORPORATION LIMITED CLASS N		137 218		
	CITY LODGE HOTELS LTD		460 332		
	CURRO HOLDINGS LTD		6 096 767		
	CASHBUILD LIMITED		830 328		
	DATATEC LTD		8 380 034		
	EOH HOLDINGS LTD		775 694		
	FAMOUS BRANDS LTD		5 956 564		
	HOSKEN CONSOLIDATED INVESTMENTS		2 104 354		
	HUDACO INDUSTRIES		2 166 915		
	ITALTILE LTD		2 072 633		
	INVICTA HOLDINGS LTD		1 560 051		
	KAP INTERNATIONAL HOLDINGS		4 576 928		
	PSG KONSULT LIMITED		4 438 494		
	LEWIS GROUP LIMITED		2 377 537		
	MPACT LTD		1 285 220		
	METAIR INV		9 242 754		
	OMNIA HOLDINGS LIMITED		23 766 127		
	PAN AFRICAN RESOURCES PLC		524 960		
	PRETORIA PORTLAND CEMENT		3 164 011		
	ROYAL BAFOKENG PLATINUM LTD		7 236 020		
	RHODES FOOD GROUP		445 536		
	SUPER GROUP LTD		3 507 154		
	SUN INTERNATIONAL (SA)		1 708 596		
	SPUR CORPORATION LTD		3 536 293		
	TONGAAT HULETT LIMITED		356 819		
	TRENCOR LTD		1 036 575		
	ZEDER INVESTMENTS LTD		945 405		
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	143 079 979		
	-per issuer	5%			
	ADCORP HOLDINGS LTD		1 693 306		
	ARC INVESTMENTS LTD		44 098		
	BOWCALF		967 557		
	CARTRACK HOLDINGS LTD		718 905		
	CROOKES BROS / ORD		1 090 344		
	CAPITAL APPRECIATION		680 049		
	DANGOTE CEMENT PLC		2 077 536		
	EPE CAPITAL PARTNERS LTD		1 249 548		
	GRAND PARADE INVESTMENTS LTD		1 604 812		
	LIBSTAR HOLDINGS		3 810 962		
	MASTER DRILLING GROUP LTD		1 903 450		
	MONTAUK ENERGY HOLDINGS LLC		4 871 547		
	MUSTEK LTD		903 953		
	MOTUS HOLDINGS LTD		1 303 661		
	MOMENTUM METROPOLITA		15 329 035		
	NINETY ONE PLC		11 765 448		
	PERESEC PRIME BROKERS		36 110 351		
	PROSUS		33 540 202		
	RECM AND CALIBRE LTD		1 454 496		
	SHG		2 368 650		
	STADIO HOLDINGS PTY LTD		141 329		
	TEXTAINER GROUP HOLDINGS LTD		14 199 785		
	TSOGO SUN HOTELS LTD		991 473		
	TRANSPACO LTD		656 687		
	TRELLIDOR HOLDINGS LTD		94 712		
	TSOGO SUN GAMING LTD		3 508 083		
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	49 058 287		
	-per issuer	2.50%			
	AFRICAN BANK LTD	2.50%	1		
	ACTIVE QUANTS HF		0		
	CORONATION FUND MANAGERS LTD		29 503		
	GROUP FIVE CONSTRUCTION PTY LTD		0		
	INVESTEC BANK LTD		49 028 783		
	JCI GOLD LTD		0		
3.2 Foreign	SARB maximum limits		1 551 670 927		

(a)	Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange:-	SARB maximum limits	1 541 734 389		
(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB maximum limits	801 024 877		
	-per issuer	15%			
	CK INFRASTRUCTURE HOLDINGS LTD		33 214		
	BERKSHIRE HATHAWAY INC		792 927		
	CANADIAN NATIONAL RAILWAY COMPANY		4 210 828		
	F5 NETWORKS INC		255 301		
	LENNAR A CORP		1 566 824		
	CVS HEALTH CORP		2 653 229		
	TEXAS INSTRUMENTS INCORPORATED		9 004 033		
	TRACTOR SUPPLY		9 983 718		
	TORAY INDUSTRIES INC		270 153		
	HUNTSMAN CORP		1 034 526		
	SBERBANK OF RUSSIA OJSC		503 696		
	KOSE CORP		76 474		
	KUBOTA CORP		50 094		
	NOVATEK MICROELECTRONICS CORP.		3 817 147		
	MEDIATEK INC.		8 303 677		
	PERSIMMON ORD GBP0 10		52 439		
	TAIWAN SEMICONDUCTOR MANUFACTURING		15 358 032		
	ING GROEP NV		981 132		
	APPLE INC		7 496 747		
	ABBVIE INC		410 241		
	BARRICK GOLD CORP		1 174 224		
	KONINKLIJKE AHOLD DELHAIZE NV		2 472 218		
	AUTOMATIC DATA PROCESSING INC		8 333 481		
	AFLAC INC		2 163 982		
	AIA GROUP LTD		12 681 599		
	AMERICAN INT GROUP		2 585 770		
	AIR PRODUCTS & CHEMICALS		40 773		
	ALLSTATE CORPORATION		793 094		
	ALSTOM SA		717 074		
	ALTRIA GROUP INC		528 906		
	ALLIANZ SE		3 635 113		
	AMGEN INC		656 033		
	AMPHENOL CORP-A		9 725 898		
	AOZORA BANK LTD		102 427		
	APPLIED MATERIALS INC		131 878		
	ARCELORMITTAL		1 568 646		
	ARCHER DANIELS MIDLAND CO		216 208		
	ASSICURAZIONI GENERALI SPA		176 012		
	ALIMENTATION COUCHE-TARD -B		7 075 344		
	BROADCOM CRP / CAYMN FI		4 717 191		
	AXA SA		1 548 473		
	AMERICAN EXPRESS CO		1 984 511		
	ASTRAZENECA PLC		937 538		
	ANADOLU EFES BIRACILIK VE MALT SAN		318 082		
	SEEK LTD		339 508		
	KONE		6 163 456		
	TURK TELEKOMUNIKASYON		239 976		
	INTL CONSOLIDATED EURO 5		623 526		
	GAZPROM OAO		489 286		
	NORILSK NICKEL MINING & METALLURGI		303 555		
	SURGUTNEFTEGAS OJSC PREF		407 291		
	ALIBABA GROUP HOLDING-SP ADR		395 885		
	BARCLAYS PLC		990 031		
	BALOISE HOLDING AG		70 267		
	BROOKFIELD ASSET MANAGEMENT INC		112 783		
	BASF SE		1 969 060		
	FOSSIL GROUP INC		8 315 771		
	GEDEON RICHTER		555 402		
	BCE INC		180 346		
	BANCO SANTANDER SA		1 405 130		
	BECTON DICKINSON AND CO		1 074 873		
	BEST BUY CO INC		195 773		
	AMBEV SA		46 398		
	BIOGEN INC		818 402		
	BANK OF NEW YORK MELLON CORP		450 559		
	BANK OF MONTREAL		351 297		
	BAYERISCHE MOTOREN		1 699 242		
	BRISTOL-MYERS SQUIBB CO		759 156		
	BNP PARIBAS		2 332 727		
	BP CAPITAL MARKETS PLC		1 449 592		
	CAN IMPERIAL BK OF COMMER		315 967		
	CANADIAN NATL RAILWAY CO		1 356 932		
	CITIGROUP INC		11 893 049		
	TORONTO DOMINION BANK		220 147		
	CARDINAL HEALTH INC		130 331		
	COMPASS GROUP PLC		7 742 028		
	CANON INC		498 881		
	CARNIVAL CORP		815 981		
	CENTRAL JAPAN RAILWAY CO		1 349 721		
	ABB LTD REG		18 422		
	CIE FINANCIERE RICHEMONT		213 383		
	UBS GROUP AG REG		4 469 266		
	SWISS FRANC		42 339		
	COLGATE-PALMOLIVE CO		7 373 504		
	CME GROUP INC		884 953		
	CANADIAN NATURAL RESOURCES LTD		123 264		
	COMCAST CORP		955 456		

CONTINENTAL AG				1 236 957		
CISCO SYSTEMS INC				8 286 542		
CSL LTD				6 540 429		
COGNIZANT TECHNICAL SOLUTIONS				8 725 254		
CHEVRON CORP				2 249 965		
CEMENTOS ARGOS SA				534 699		
KOMERCNI BANKA AS				534 179		
DAIMLER FINANCE NORTH AMERICA LLC				174 714		
DAITO TRUST CONSTRUCTION				1 388 434		
DBS GROUP HOLDINGS LTD				319 546		
JOHN DEERE CAPITAL CORP MTN				661 629		
DH SWITZERLAND FINANCE SA				656 041		
WALT DISNEY COMPANY				8 563 587		
DXC TECHNOLOGY CO				3 736 502		
EBAY INC				4 213 549		
ECOLAB INC				550 432		
ESTEE LAUDER CO INC				456 269		
ELISA OYJ				54 535		
ENBRIDGE INC				114 913		
ENEL SPA				2 070 771		
EOG RESOURCES INC				277 407		
ENDESA SA				302 675		
IBERDROLA SA				213 568		
EATON CORPORATION				37 149		
EVEREST RE GROUP LTD				237 251		
FEDEX CORP				156 667		
NOKIA OYJ				1 516 875		
FORTESCUE METALS GROUP				512 312		
SAFRAN SA				1 003 007		
L'OREAL				8 202 506		
FRANCE TELECOM SA				228 878		
BT GROUP PLC				1 450 611		
ROYAL DUTCH SHELL PLC				1 378 866		
RECKITT BENCKISER GROUP PLC				8 376 883		
GENERAL MOTORS CO				4 842 173		
GILEAD SCIENCES INC				270 209		
GENERAL MILLS INC				675 272		
CORNING INC				148 754		
ALPHABET INC-CL C				26 245 320		
GLAXOSMITHKLINE PLC				2 070 695		
GREAT-WEST LIFECO INC				185 086		
H&R BLOCK INC				651 485		
HITACHI LTD				45 382		
CLP HOLDINGS LTD				4 344 814		
HONG KONG EXCHANGES & CLE				4 182 072		
HEWLETT-PACKARD				287 415		
MOL HUNGARIAN OIL & GAS PLC				716 225		
HUGO BOSS PFD				4 480 585		
INTL BUS MACHINE COR				3 134 290		
BANK LEUMI LE ISRAEL				188 110		
ILLUMINA INC				4 788 263		
IMPERIAL TOBACCO GROUP				3 488 486		
INTEL CORP				3 792 742		
INTUITIVE SURGIC				8 204 762		
IQVIA HOLDINGS INC				3 638 310		
INTESA SANPAOLO SPA				1 792 663		
J FRONT RETAILING CO LTD				1 346 333		
JAPAN TOBACCO INC				264 589		
JOHNSON CONTROLS INC				54 945		
JD.COM INC ADR				249 828		
JOHNSON & JOHNSON				10 102 230		
ASAHI KASEI CORP				45 790		
ASAHI GROUP HOLDINGS LTD				5 149 038		
ITOCHU CORP				427 760		
EISAI CO LTD				54 345		
OMRON CORP				63 289		
KEYENCE CORP				14 440 038		
SUNTORY BEVERAGE & FOOD LTD				482 285		
SHIN ETSU CHEMICAL CO LTD				10 981 829		
START TODAY CO LTD				61 594		
SONY CORP				6 114 788		
KDDI CORP				623 080		
DAIWA HOUSE INDUSTRY CO				29 393		
TEIJIN LTD				560 030		
TOKYO ELECTRON LTD				163 210		
LIXIL GROUP CORP				56 848		
NISSIN FOODS HOLDINGS CO				37 229		
NITTO DENKO CORP				49 497		
NIPPON TELEGRAPH & TELEPH				1 652 082		
FANUC CORP				9 361 128		
FUJIFILM HOLDINGS CORP				227 040		
BRIDGESTONE CORP				191 672		
ASTELLAS PHARMA INC				131 528		
YAMAHA CORP				18 913		
JSR CORP				43 107		
JX HOLDINGS INC				141 716		
KRAFT FOODS GROUP INC				788 576		
KONE OYJ				30 105		
SAMSUNG ELECTRO-MECHANICS CO LTD				11 598 099		
LG CHEM LTD				2 993 555		
HANA FINANCIAL GROUP INC				3 904 803		
KROGER CO				674 230		
LOBLAW COMPANIES LIMITED				649 234		

LINDE AG	11 399 472		
ELI LILLY AND COMPANY	990 762		
LOCKHEED MARTIN	335 310		
LOWE'S COS INC	3 999 887		
LULULEMON ATHLETICA INC	128 976		
LVMH MOET HENNESSY LOUIS VUI	10 050 343		
MACYS INC	15 112 061		
MASTERCARD INC	15 039 121		
MANULIFE FINANCIAL CORP	248 705		
MAGNA INTERNATIONAL INC	98 927		
MITSUBISHI CORP	150 101		
MITSUMI + CO LTD	76 349		
MIZUHO FINANCIAL GROUP	297 922		
3M COMPANY	109 098		
MOLSON COORS-B	3 247 104		
MOODYS CORP	2 067 130		
MORGAN STANLEY	9 036 382		
MARATHON PETROLEUM CORP	32 266		
MERCK & CO INC	7 655 128		
MICROSOFT CORPORATION	35 936 327		
BK TOKYO-MITSUBISHI UFJ	766 503		
NESTLE SA	7 155 284		
NETAPP INC	3 869 876		
NIPPON YUSEN	29 792		
NIKE INC	15 161 264		
AIRBUS GROUP SE	809 172		
NORTHROP GRUMMAN CORP	542 237		
NOMURA REAL ESTATE HOLDINGS INC	655 075		
NOVO NORDISK B	13 208 961		
NOVARTIS CAPITAL CORP	6 267 838		
NVIDIA CORPORATION	407 069		
NEWELL RUBBERMAID INC	1 952 372		
OMV AG	159 305		
ONO PHARMACEUTICAL CO	55 444		
ORACLE CORP	11 854 719		
OREILLY AUTOMOTIVE INC	716 374		
OTSUKA HOLDINGS CO LTD	25 296		
OVERSEA-CHINESE BANKING	186 356		
OCCIDENTAL PETROLEUM COR	20 767		
PANASONIC CORP	162 864		
PEPSICO INC	1 207 521		
PFIZER INC	725 054		
PROCTER & GAMBLE COMPANY	739 468		
KONINKLIJKE PHILIPS ELECTRONICS NV	5 927 833		
PHILIP MORRIS INTERNATNL	2 661 445		
BANK HANDLOWY W WARSZAWIE SA	478 411		
ABOITIZ EQUITY VENTURES INC	184 808		
GRUPA LOTOS SA	272 871		
BANK PEKAO SA	1 884 505		
POWSZECHNY ZAKLAD UBEZPI	2 121 535		
PINNACLE HLDG	173 353		
PHILLIPS 66	179 740		
PUBLIC STORAGE	431 615		
QUALCOMM INCORPORATED	893 120		
RAKUTEN INC	1 671 869		
RALPH LAUREN CORP	752 848		
ROYAL BANK OF SCOTLAND GROUP PLC	1 287 323		
REPSOL INTERNATIONAL FINANCE BV	5 659 873		
REXEL SA	835 549		
ROCHE FINANCE EUROPE BV	8 730 621		
ROYAL BANK OF CANADA	34 326		
INTER RAO UES PJSC	231 457		
RWE AG	186 549		
SAMSUNG ELECTRONICS CO LTD	2 977 628		
SBI HOLDINGS INC	53 369		
STARBUCKS CORP	185 989		
SKANDINAVISKA ENSKILDA BA	50 070		
ICA GRUPPEN AB	26 813		
SANDVIK AB	1 268 367		
SEAGATE TECHNOLOGY	122 294		
SES S.A	28 490		
SINGAPORE TELECOMMUNICATI	46 898		
CIE DE SAINT-GOBAIN	1 996 579		
SGS SA	3 936 717		
SHARP CORPATION	3 238 204		
SHERWIN-WILLIAMS COMPANY	1 549 447		
SIEMENS AG	97 445		
SOCIETE GENERALE	1 151 850		
SOFTBANK CORP	210 772		
STANDARD CHARTERED PLC	1 123 380		
STORA ENSO OYJ	1 261 513		
STRYKER CORP	7 496 648		
SCHNEIDER ELECTRIC SA	688 119		
SUMITOMO MITSUI FINL GRP	751 381		
SUNCOR ENERGY	141 267		
STANLEY BLACK & DECKER INC	580 969		
SYNCHRONY FINANCIAL	100 630		
SYSCO CORP	1 851 495		
TAKEDA PHARMACEUTICAL CO LTD	65 331		
TELECOM ITALIA SPA	43 135		
GRUPO TELEVISA SAB	5 459 277		
TESCO PLC	756 108		
TARGET CORP	1 457 012		

	AT&T INC				3 682 716			
	TJX COS INC				8 405 237			
	TELSTRA CORPORATION LIMITED				79 209			
	THERMO FISHER SCIENTIFIC INC				5 059 169			
	TOTAL CAPITAL INTL SA				2 203 246			
	TOYOTA MOTOR CREDIT CORP				1 183 569			
	TURKIYE GARANTI BANKASI				199 402			
	TRAVELERS CO INC				254 307			
	TULLOW OIL PLC				4 058 175			
	DELTA ELECTRONICS INC				4 365 280			
	TEXAS INSTRUMENTS INC				941 514			
	TYSON FOODS INC-CL A				426 804			
	UNITEDHEALTH GROUP INC				12 113 621			
	UNION PAC CORP				2 304 074			
	UNITED OVERSEAS BANK LIMITED				413 748			
	UNITED PARCEL SERVICE INC				398 630			
	ADOBE SYSTEMS INC				8 718 711			
	PRESIDENT CHAIN STORE CORP				320 613			
	EDISON INTERNATIONAL				161 834			
	EXELON CORP				749 719			
	FACEBOOK INC A				9 458 946			
	FRANKLIN RESOURCES INC				76 905			
	FREEPORT MCMORAN INC				688 427			
	HCA HOLDINGS INC				133 782			
	ADR INDUSTRIA DE DISENO TEXTIL INDITEX SA ADR ADR				7 536 449			
	INTUIT INC				589 111			
	MCDONALD'S CORP				448 982			
	TESLA MOTORS INC				75 432			
	US BANCORP				1 856 941			
	VF CORPORATION				67 924			
	VIVENDI SA				36 188			
	VOLVO TREASURY AB				3 453 286			
	VODAFONE GROUP PLC				1 202 732			
	VOLKSWAGEN AG				7 086 371			
	VERIZON COMMUNICATIONS INC				1 568 549			
	WALGREEN CO				2 812 653			
	WALMART INCORPORATED				182 479			
	WELLS FARGO & COMPANY				2 505 437			
	WOOLWORTHS HOLDINGS LTD				27 644			
	WASTE MANAGEMENT INC				253 520			
	WESTPAC BANKING CORP				145 829			
	YAHOO INC				6 419 360			
	YAMAGUCHI FINANCIAL GROUP				101 052			
	YANZHOU				3 789 385			
	ZOETIS INC				278 791			
(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an -per issuer	SARB maximum limits 10%			343 243 082			
	AMERICAN FINANCIAL GROUP INC				163 416			
	AMAZON.COM INC				12 400 891			
	HOLLYFRONTIER CORP				1 107 007			
	AMERISOURCEBERGEN CORP				2 428 486			
	AGL ENERGY LTD				259 338			
	ALTAGAS LTD				43 282			
	ADVANCED MICRO DEVICES INC				350 740			
	AFFILIATED MANAGERS GROUP INC				4 059 199			
	TREASURY WINE ESTATES LTD				32 545			
	AUTOZONE INC				2 204 482			
	AVIVA PLC				1 453 572			
	AMERICAN WATER CAPITAL CORP				314 409			
	GAMESA CORP TECNOLÓGICA SA				67 107			
	SWISS PRIME SITE AG				85 203			
	SPLUNK INC				78 486			
	LEAR CORP				3 822 909			
	PEYTO EXPLORATION & DEVELOPMENT CO				44 053			
	EASYJET PLC				543 910			
	BAE SYSTEMS HOLDINGS INC				1 308 061			
	BED BATH & BEYOND INC				12 243 837			
	ADIANT PLC				1 656 031			
	AGEAS SA				287 274			
	VEEVA SYSTEMS INC				105 626			
	AXIS CAPITAL HOLDINGS LTD				150 985			
	BUNGE LTD				66 974			
	SIGNET JEWELERS LTD				19 872 457			
	CDK GLOBAL INC				159 861			
	BRD-GROUPE SOCIETE GENERALE SA				615 629			
	BRAMBLES FINANCE LTD				109 141			
	ARC RESOURCES LTD				121 287			
	CONSTELLATION SOFTWARE IN				216 365			
	HYDRO ONE LTD				479 890			
	INTACT FINANCIAL CORP				114 668			
	KINROSS GOLD CORP				1 217 081			
	TECK RESOURCES LTD CLS B				25 741 899			
	CONAGRA FOODS INC				1 681 726			
	CAMPBELL SOUP CO				69 250			
	COCA-COLA EUROPEAN PARTNERS PLC				212 057			
	SWISS LIFE HOLDING AG				230 591			
	PARTNERS GROUP HOLDING AG				207 613			
	KUEHNE & NAGEL INTL AG				69 696			
	GEBERIT AG REG				208 438			
	GARMIN LTD				157 187			
	CHECK POINT SOFTWARE TECH				259 784			
	COVESTRO AG				1 320 786			

CANADIAN TIRE CORP-CLASS A				414 095		
GEA GROUP AG				24 303		
HANNOVER RUECK SE				57 733		
BRENNTAG AG				98 574		
DOMINO'S PIZZA INC				24 159		
DTE ENERGY CO				511 266		
DUFRY AG				10 027 703		
EDP - ENERGIAS DE PORTUGL				119 225		
ENTERGY CORP				208 511		
ERSTE GROUP BANK AG				1 951 922		
EXPEDIA INC				374 282		
FAST RETAILING CO				8 425 863		
FLUOR CORP				1 694 031		
ATOS				704 867		
TELEPERFORMANCE SOCIETE EUROPEENNE				5 532 398		
SOCIETE BIC SA				109 171		
VALEO SA				1 130 181		
FORTINET INC				4 620 511		
MEGGITT PLC				1 429 438		
TRAVIS PERKINS PLC				519 068		
TATE & LYLE PLC				297 115		
TAYLOR WIMPEY PLC				845 487		
KINGFISHER PLC				1 491 374		
FRESNILLO PLC				526 390		
CONVATEC GROUP PLC				928 002		
HASBRO INC				95 326		
HEIDELBERGCEMENT FIN LUX				2 094 447		
HUNTINGTON INGALLS INDUSTRIES				249 527		
ENDO INTERNATIONAL PLC				13 772 438		
INTERNATIONAL FLAVORS & FRAGRANCES				81 578		
INGREDION INC				178 078		
ITV PLC				2 809 995		
INVESCO LTD				516 130		
JACOBS ENGIN GRP				4 059 779		
JAMES HARDIE INDUSTRIES				127 146		
POLYMETAL INTERNATIONAL PLC COMMON STOCK				1 936 365		
JUNIPER NETWORKS				120 178		
KOC HOLDING AS				615 597		
KELLOGG COMPANY				515 105		
KEYSIGHT TECHNOLOGIES				8 487 825		
KLA-TENCOR CORP				671 132		
LINCOLN NATIONAL CORP				5 556 044		
LAM RESEARCH CORPORATION				9 464 483		
MAGYAR TELEKOM TELECOMMUNICATIONS PLC				1 070 998		
MARKS AND SPENCER PLC				1 986 646		
MARKEL CORPORATION				623 304		
MICHELIN LUXEMBOURG SCS				6 079 495		
WM MORRISON SUPERMARKETS PLC				173 015		
MTU AERO ENGINES AG				1 085 885		
MURPHY OIL CORP				1 826 628		
WENDEL SA				31 806		
NBC ASSET TRUST				55 660		
NEWMONT MINING CORP				446 957		
NESTE OYJ				47 137		
NATIONAL FUEL GAS CO				2 723 385		
CNH INDUSTRIAL NV				2 450 422		
NN GROUP NV				9 838 634		
NUCOR CORP				2 744 011		
NEXT PLC				1 223 499		
PARKER HANNIFIN CORP				2 089 668		
PACKAGING CORPORATION OF AMERICA				1 644 083		
CIECH SA				272 221		
PEARSON FUNDING FIVE PLC				2 751 811		
PUBLICIS GROUPE SA				1 799 073		
RAIFFEISEN BANK INTERNAT				186 700		
RELIANCE STEEL & ALUMINUM CO				4 234 731		
REGIONS FINANCIAL CORP				124 680		
RESMED INC				169 234		
REPUBLIC SERVICES INC				538 062		
SUEZ ENVIRONNEMENT SA				52 540		
SHAW COMMUNICATIONS INC				57 396		
SMITHS GROUP PLC				1 398 506		
SANTOS LTD				4 509 165		
TEGNA INC				561 438		
TELUS CORP				370 255		
THE JM SMUCKER CO				724 389		
THE PROGRESSIVE CORP				2 678 189		
UNICREDIT SPA				6 312 297		
UNIVERSAL HEALTH SERVICES				178 171		
ADVANCE AUTO PARTS INC				2 443 275		
ALLY FINANCIAL INC				10 734 005		
ANNALY CAPITAL MANAGEMENT				125 030		
AVERY DENNISON CORP				117 222		
CHEMED CORP COMMON STOCK USD1.0				3 738 462		
CHIPOTLE MEXICAN GRILL IN				302 298		
COGNEX CORP				6 074 395		
COTY INC				10 944 384		
DR HORTON INC				459 850		
DEXCOM INC				181 466		
EDWARDS LIFESCIENCES CORP				7 864 928		
IHS INC				1 057 980		
HARTFORD FINANCIAL SVCS G				527 281		
IDEXX LABORATORIES INC				129 379		

	MSCI INC			1 293 344		
	MERCADOLIBRE INC			73 197		
	METTLER-TOLEDO INTERNATIONAL INC			965 735		
	PVH CORP			1 125 025		
	PALO ALTO NETWORKS INC			112 963		
	RANGE RESOURCES CORP			9 129 978		
	SABRE CORP			16 792 541		
	SEALED AIR CORP			211 909		
	SKYWORKS SOLUTIONS INC			463 574		
	TRANSDIGM GROUP INC			135 512		
	TRIPADVISOR INC			617 297		
	WATERS CORP			8 170 675		
	WEIBO CORP ADR			430 116		
	WHIRLPOOL CORPORATION			732 277		
	WPP PLC			2 038 965		
	WESTERN UNION CO			956 331		
	ZILLOW GROUP INC			219 346		
	ZIONS BANCORPORATION			254 180		
(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB maximum limits		397 466 430		
	-per issuer	5%				
	VALIANT HOLDING AG			40 512		
	PRADA S.P.A.			84 005		
	AMDOCS LTD			885 008		
	DCM HOLDINGS CO LTD			167 327		
	DOUTOR NICHIRE HOLDINGS CO LT			78 057		
	SANY HEAVY INDUSTRY CO LTD			5 256 586		
	EVERG HEALTH			106 027		
	SG HOLDINGS CO LTD			333 624		
	A2A COMPANY			228 271		
	ABERCROMBIE & FITCH			6 281 080		
	ACCTON TECHNOLOGY CORP			3 393 019		
	ADAPTIT HOLDINGS LTD			1 039 113		
	ADVANSIX INC			718 283		
	AEGEAN AIRLINES SA			188 601		
	AIXTRON SE PERPETUAL			53 540		
	ALASKA AIR GROUP INC			506 220		
	ALIBABA GROUP HOLDING LTD			4 478 997		
	A-LIVING SERVICES CO LTD			1 737 429		
	ALLISON TRANSMISSION HOLDINGS			268 745		
	AMBRA SA			236 809		
	AMC Networks Inc			19 829 005		
	APERAM SA			842 842		
	APOLLO GLOBAL MANAGEMENT INC			41 820		
	APPLIED INDUSTRIAL TECHNOLOGIE			199 282		
	ARCUS JAPAN FD-ASSOCIATE			74 940 110		
	ARCH RESOURCES INC			188 648		
	OESTERREICHISCHE POST AG NPV			127 422		
	ATLANTIC GRUPA			182 818		
	ATKORE INC			40 544		
	ATLAS AIR WORLDWIDE HOLDINGS			905 120		
	WISETECH GLOBAL LTD			16 818		
	AUDACY INC			7 682 562		
	AUTOLIV INC			663 075		
	EXPRESS INC			4 295 563		
	BACHEM HOLDING AG			216 619		
	BALLCORP			9 337 750		
	BEAZER HOMES USA INC			1 072 605		
	BEURT WORLD INTERNATIONAL			46 271		
	BIOPHARMACEUTICAL COMPANY			113 361		
	BLACKSTONE GROUP INC			234 928		
	BOYD GAMING CORP			336 838		
	BOOKING HOLDINGS INC			8 482 932		
	DMC GLOBAL INC			103 943		
	BRANDYWINE REALTY TRUST			187 193		
	BIO-TECHNE CORP			209 629		
	CACI INTERNATIONAL INC			282 808		
	CANTEL MEDICAL CORP			92 628		
	CARRIER GLOBAL CORP			990 360		
	CARS.COM INC			3 750 162		
	CATALENT INC			63 322		
	CHICOS FAS INC			4 757 125		
	COGECO CABLE INC			205 866		
	COLRUYT			157 148		
	COLUMBUS MCKINNON CORP			68 674		
	COMARCH SA			163 221		
	CONCENTRIX CORP			11 613 238		
	CAPRI HOLDINGS LTD			1 883 368		
	CREDITO VALTELLINESE SPA			48 443		
	CURTISS-WRIGHT CORP			538 875		
	CDW CORPORATION			326 781		
	DANA INC			1 427 965		
	DANEL ADIR YEOSHUA LTD			42 889		
	DASSAULT SYSTEMES SA			4 471 575		
	DECKERS OUTDOOR CORP			79 598		
	DELL TECHNOLOGIES INC			869 865		
	DESIGNER BRANDS INC			1 799 421		
	DESPEGAR.COM CORP			613 947		
	DIAMOND OFFSHORE			367 151		
	DOCUSIGN INC			165 351		
	DOHINGLTD			189 542		

EBARA CORP				195 287		
EBRO FOODS SA				69 155		
EIZO CORP				72 815		
EMCOR GROUP INC				178 630		
EMPIRE				45 166		
AXA EQUITABLE HOLDINGS I				7 492 859		
EUROCASH SA				224 270		
E.ON UTILITIES COMPANY				210 967		
EVOLUTION GAMING GROUP				354 684		
EVRAZ PLC				430 326		
EVERGY INC				336 905		
EW SCRIPPS COMPANY				1 205 009		
FACTSET RESH SYS INC				614 579		
FERGUSON FINANCE PLC				3 467 829		
X 5 RETAIL GROUP				385 225		
FOX CORP				11 537 780		
FS KKR CAPITAL CORP				120 953		
FUSO CHEMICAL CO LTD				32 612		
GANNETT CO INC				2 042 313		
QINETIQ GROUP PLC				740 299		
STOCK SPIRITS GROUP PLC				264 460		
INFORMA PLC				628 360		
GENTEX CORP				1 451 883		
GRACO INC				1 775 293		
GMS INC				45 943		
GROUP 1 AUTOMOTIVE INC				1 162 443		
GRAY TELEVISION INC				398 287		
GREENBRIECOSTHE				986 679		
FOURLIS HOLDINGS SA				119 926		
HALYK SAVINGS BANK OF KAZAKHST				454 880		
HARBOUR ENERGY PLC				692 583		
HEALIULTD				111 784		
HRVATSKE TELEKOMUNIKACJE				257 243		
IA FINANCIAL CORP INC				16 827		
IAMGOLD CORP				211 002		
IDEDUCATIONLTD				24 901		
INTER GAME TECHNOLOG				931 499		
IHEARTMEDIA INC				4 495 922		
GVC HLDGS PLC				4 906 748		
IMMOFINANZ AG				734 118		
INVESTORS BANCORP INC				181 358		
IR JAPAN HOLDINGS LTD				107 264		
TECHNOGYM S P A TECHNOGYM S P A				156 785		
JABIL INC				46 120		
JCR PHARMACEUTICALS CO LTD				276 361		
JD.COM INC				183 824		
WIZZ AIR HOLDINGS PLC				3 795 552		
SAWAI PHARMACEUTICAL				76 731		
SCSK CORP				18 306		
SENKO CO				88 054		
NIPPON TELEVISION HOLDINGS INC NPV				1 474 582		
FUJI MEDIA HOLDINGS INC				686 435		
KAHOOT COMPANY				41 167		
KIMBERLY CLARK CORP				552 411		
KEYERA CORP				27 836		
KORN FERRY MANAGEMENT COMPANY				194 026		
KS HOLDINGS CORP				135 023		
LAURENTIAN BANK OF CANADA				216 488		
LIBERTY OILFIELD SERVICES INC				584 166		
SIGNIFY NV				1 015 906		
LIONS GATE ENTERTAINMENT CORP				7 868 500		
LUKA KOPER				516 652		
LUMEN TECHNOLOGIES INC				1 383 852		
MAERSK SHIPPING COMPANY				3 855 261		
MAGNOLIA OIL & GAS CORP				98 024		
MANITOWOC COMPANY				1 354 115		
MD MEDICAL GROUP INVESTMENTS PLC				490 275		
MDU RESOURCES GROUP INC				732 330		
MELEXIS NV				110 346		
M&G PLC				54 331		
MIGROS TICARET AS				348 823		
MIDDLEBY CORPARATION				967 373		
MIDEA GROUP CO LTD				2 798 718		
MI HOMES INC				848 804		
MOVADO GROUP INC				799 224		
MSG NETWORKS INC				8 276 445		
MERITOR INC				990 775		
NAC KAZATOMPROM JSC				426 683		
NEWMARKET CORP				292 050		
NEXGEN ENERGY LTD				34 524		
NEXSTAR MEDIA GROUP INC				1 843 345		
NICHIREI CORP				80 496		
NIPPON FLOUR MILLS CO LTD				73 403		
NISSHIN OILLIO GROUP LTD				57 421		
NOVA LJUBLJANSKA BANKA DD				258 991		
NEW MOUNTAIN FINANCE CORP				80 564		
NOMAD FOODS LTD COMMON STOCK				7 533 668		
NORDEA BANK ABP				1 975 165		
NORMA GROUP SE				100 577		
NORTH WEST CO INC/THE				89 707		
NORTONLIFELOCK INC				80 060		
NOV INC				6 302 346		
FISHER & PAYKEL HEALTHCARE COR				114 580		

	O-I GLASS INC								1 683 051		
	OLD NATIONAL BANCORP								118 227		
	OTIS WORLDWIDE CORP								1 188 757		
	OVERSTOCK.COM INC								1 143 752		
	PACWEST BANCORP								81 728		
	PACTIV EVERGREEN INC								761 336		
	PALANTIR TECHNOLOGIES INC								29 741		
	PANDORA								17 841		
	PARKLAND CORP NPV								43 031		
	PETROM SA COMPANY								699 095		
	PINNACLE INVESTMENT MANAGEMENT								46 553		
	PKO BANK POLSKI								1 871 293		
	CHILDREN'S PLACE INC								44 247		
	POSCO								376 916		
	PRICESMART INC								105 124		
	PRIMORIS SERVICES CORP								165 239		
	PROSIEBENSAT MEDIA								12 786 514		
	QT GROUP OYJ								85 736		
	QURATE R								14 667 571		
	RAYTHEON TECHNOLOGIES CORP								3 554 054		
	RAZER INC								103 667		
	RENOVA INC								5 726 983		
	REPLIGEN CORP								547 014		
	UNITED COMPANY RUSAL								366 332		
	J SAINSBURY								1 866 914		
	SALLY BEAUTY HOLDINGS INC								975 047		
	SANYATI HOLDINGS LIMITED								505 726		
	SINCLAIR BROADCAST GROUP INC								18 264 924		
	SELECTIVE INSURANCE GROUP INC								246 158		
	ZAVAROVALNICA TRIGLAV DD								273 936		
	KRKA DD NOVO MESTO								1 114 433		
	TELEKOM SLOVENIJE DD								524 379		
	SIEGFRIED HOLDING AG								222 861		
	SIEMENS ENERGY AG								23 032		
	SILGAN HOLDINGS INC								299 197		
	SITC INTERNATIONAL HOLDINGS CO LTD								471 602		
	SMC CORPORATION								3 712 957		
	SNOWFLAKE INC								112 146		
	SONOCO PRODUCTS CO								139 777		
	SPIN MASTER CORP								65 524		
	STANDEX INTERNATIONAL CORP								88 334		
	STANDARD LIFE ABERDEEN PLC								651 988		
	SUNCOKE ENERGY INC								1 502 295		
	SYKES ENTERPRISES INC								93 082		
	TAIYO HOLDINGS CO LTD								121 994		
	TALLINNA KAUBAMAJA GRUPP AS								222 836		
	TAPESTRY INC								1 774 971		
	TAYLOR MORRISON HOME CORP								1 268 160		
	TELE2 TELECOM COMPANY								49 138		
	TEXAS ROADHOUSE INC								3 819 225		
	TP ICAP GROUP PLC								958 162		
	TMX GROUP LTD								31 238		
	TOYA SA								135 891		
	TOYOTIRECORP								286 168		
	TRADE DESK COMPANY								228 821		
	TRIMAS CORP								81 257		
	TWILIO INC								197 277		
	UFP INDUSTRIES INC								81 907		
	UMPQUA HOLDINGS CORP								12 927		
	GLOBALTRA-SPONS GDR REG S								334 215		
	OVERSTOCK.COM INC								2 128 102		
	VENTURE CORP LTD								27 047		
	VIACOMCBS INC								1 306 390		
	VIATRIS INC								34 689		
	VITROLIFE AB								26 962		
	VALMONT INDUSTRIES INC								30 322		
	VRG SA								141 024		
	WABASH NATIONAL CORP								748 538		
	WARRIOR MET COAL LLC								2 227 993		
	WAYFAIR INC								34 818		
	WEST PHARMACEUTICAL SERVICES I								78 850		
	WESTERN ALLIANCE BANCORP								44 227		
	WW INTERNATIONAL INC								1 261 879		
	XINYI GLASS HOLDINGS LTD								218 448		
	XPO LOGISTICS INC								275 074		
	ZEBRA TECHNOLOGIES CORP								437 225		
(b)	Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange				10%				9 936 537		
	GUESS INC								1 056 797		
	JARDINE MATHESON								4 759 226		
	MEDIASET SPA								46 970		
	PAYCHEX INC								4 073 544		

[illegible]

-each commodity	5%	
6 INVESTMENTS IN THE BUSINESS OF A PARTICIPATING		0
(a) Section 19(4) of the Pension Funds Act	5%	0
(b) To the extent it has been allowed by an exemption in terms of section 19(4A) of the Pension Funds Act	10%	0
7 HOUSING LOANS GRANTED TO MEMBERS IN ACCORDANCE		0
8 HEDGE FUNDS, PRIVATE EQUITY FUNDS AND ANY OTHER		13 841 761
8.1 Inside the Republic	15%	0
(a) Hedge fund	10%	0
(a)(i) Funds of hedge funds	10%	0
- per issuer	5%	0
(a)(ii) Hedge funds	10%	0
- per issuer	2.50%	0
(b) Private equity funds	10%	0
(b)(i) Funds of private equity funds	10%	0
- per issuer	5%	0
(b)(ii) Private equity funds	10%	0
- per issuer	2.50%	0
(c) Other assets not referred to in this schedule and Coronation Fund Managers Ltd	2.50%	11 914 349
		0
8.2 Foreign	15%	1 927 412
(a) Hedge fund	10%	0
(a)(i) Funds of hedge funds	10%	0
- per issuer	5%	0
(a)(ii) Hedge funds	10%	0
- per issuer	2.50%	0
(b) Private equity funds	10%	0
(b)(i) Funds of private equity funds	10%	0
- per issuer	5%	0
(b)(ii) Private equity funds	10%	0
- per issuer	2.50%	0
(c) Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2.50%	1 927 412
		-
		0
Investec Derivatives		-301
Sei Derivatives		1 927 714
TOTAL ASSETS – REGULATION 28 (D above)		4 822 462 689

KWAZULU NATAL JOINT MUNICIPAL PENSION FUND (RETIREMENT)

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	107 503 831	2.21%	60 414 952	1.24%	0		167 918 783
2	Debt instruments including Islamic debt instruments	1 169 476 681	24.00%	0	0.00%	0	0.00%	1 169 476 681
3	Equities	1 835 735 882	37.67%	1 551 670 927	0.318436355	0	0.00%	3 387 406 809
4	Immovable property	48 201 412	0.99%	5 890 082	0.001208772			54 091 495
5	Commodities	29 727 160	0.61%	0	0			29 727 160
6	Investment in the business of a participating employer	0	0.00%		0			0
7	Housing loans granted to members - section 19(5)	0	0.00%		0			0
8	Hedge Funds, private equity funds and any other assets not referred to in this schedule	11 914 349	0.24%	1 927 412	0			13 841 761
9	Fair value of assets to be excluded in terms of sub- regulations 3(c) and (8)(b) of Regulation 28	50 319 272.59	1.03%		0			50 319 273
10	Investments not disclosed/data not available for disclosure	0	0.00%		0.00%			0
	TOTAL (equal to the fair value of assets)	3 252 878 587		1 619 903 374		0		4 872 781 961

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 Pension Fund (Retirement)

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 Pension Fund (Retirement) (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 Pension Fund (Retirement) 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 PENSION FUND (RETIREMENT)

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 COMMITTEE OF MANAGEMENT</u>
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
Cllr. Peer Fawzia Age 70	B A (Psychology& Sociology) Post Graduate Diploma in Industrial Relation	eThekwin Council Trustee: KZN Municipal Pension Fund (2005- 2016)	1 year,7 months
Cllr. Y Nair Age 70	B A (Humanities) B A (Hons) B A (Management)	Education for 33 years School principal for 11 years Municipal councilor for 23 years Hibiscus Coast Development Agency trustee 13 years	6 Years, 2 months
Cllr T.N. Jojozi Age 53	Bachelor of Arts Certificate in local Government Practice	14 years Educator Local Government councilor 2006 to date	1 year,7 months
Ms. B.V. Sibiya Age 59	Grade 12 Certificate of Completion FSB Trustee Toolkit	29 years in Health and Safety	6 Years, 3 months
Ms. Y.P. Joyi Age 37	Bachelor of Commerce degree Post Graduate Diploma Registered member of the	KZN Department of Cooperative Governance and Traditional Affairs:	1 year,7 months

	Institute of the Internal Auditors SA and Chartered Institute of Government Finance	CFO Ithala Finance Development Corporation: Supply Chain Management Okhahlamba Local Municipality: CFO	
Cllr. Mr. M.V. Nyathi Age 46	NQF 6 (CPMD) certificate programme in management development (municipal finance). 8 years' experience as a councillor. Others N3 Electrical engineering.	11 years as Councilor 11 years' service at Umuziwabantu Municipality	9 Years, 5 months
Mr. X. Dube Age 48	Artisans Builders Diploma	Local Government 1996 to date 20 years' service at eThekweni Municipality	18 Years, 8 months
Mr. M.S. Khanyile Age 40	Grade 12	Local Government 2003 to date 13 years' Service at Okhahlamba Municipality	8 Years, 2 months
Ms. T.B Mngadi Age 58	Administration certificate Receptionist certificate	Local Government 1993 to date 25 years' service at eThekweni Municipality	18 Years, 4 months
Mr. D.M. Madlala Age 56	Electrician	Local Government 1989 to date 27 years' service at Umhlathuze Municipality	13 Years, 1 month
Mr. A.R. Hoosen Age 69	Master's degree	Local Government 1976 – 2008 33 years' service at the Newcastle Municipality	12 Years, 4 months

AUDIT SUB COMMITTEE

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 FOR SUBSISTENCE AND TRAVELLING

Cllr. B. D Madonsela	R 50 864.53(20 meetings)
Cllr. F. Peer	R 40 718.50 (16 meetings)
Cllr. Mr. M.V. Nyathi	R 69 703.22(18 meetings)
Ms. Y. P Joyi	R 6 270.50 (4 meeting)
Cllr Mr. Y. Nair	R 73 346.95(20 meetings)
Mr. X. Dube	R 101 999.79(48 meetings)
Ms. B. Sibiya	R48 764.55(19 meetings)
Ms. T.B. Mngadi	R70 885.51(26 meetings)
Mr. D.M. Madlala	R48 898.76(16 meetings)
Mr. M.S. Khanyile	R74 381.96 (21 meetings)
Mr. A.R. Hoosen	R 65 719.03(22 meetings)
Cllr T.N. Jojozi	R66 643.25 (21 meetings)

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 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 this financial year there has been no breach in the Code of Conduct.

STAKEHOLDERS ENGAGEMENT

The Fund is cognisant of the import 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 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 during the year.

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 will assist the Board of Trustees when

determining the training required and place it in a position to recommend to the entities which appoint Board 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 financial year 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.

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 shall consist 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 Audit Committee have approved the financial statements and resolved that they be approved by the Board of Trustees.

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 shall consist 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.

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 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.

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 (MEC) has appointed the Auditor General of South Africa as the independent auditor of the Fund.