



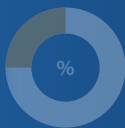
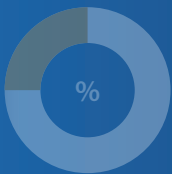
**RFLAUN**

Retirement Fund for Local Authorities  
and Utility Services in Namibia

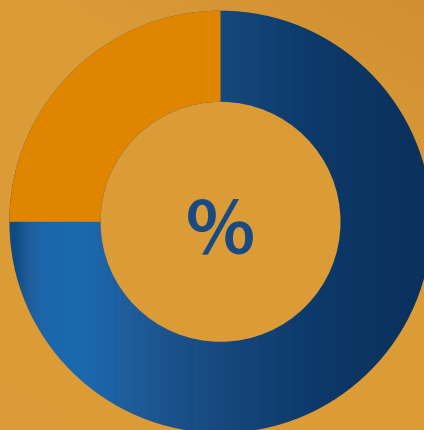
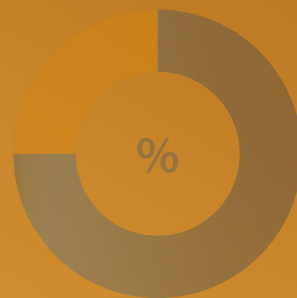
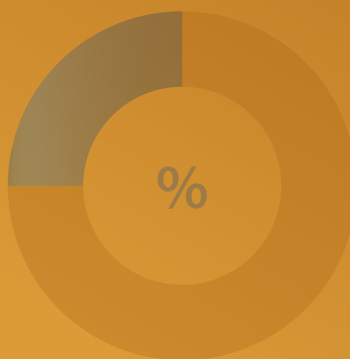
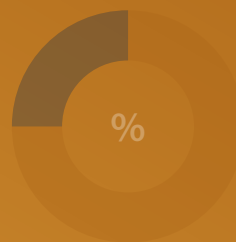
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE REPORTING PERIOD ENDED**

31 DEC **2019**





# **ANNUAL** FINANCIAL STATEMENTS



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## Imprint

### Compiled by

Retirement Fund for Local Authorities and  
Utility Services in Namibia

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## REGULATORY INFORMATION

### Registered office of the Fund

#### Postal address:

PO Box 2721  
Windhoek  
Namibia

#### Physical address:

1 Delius Street  
Windhoek  
Namibia

### FINANCIAL REPORTING PERIODS

**Current period:** 01 January 2019 to 31 December 2019

**Previous period:** 01 January 2018 to 31 December 2018

Board of trustees	Date appointed	Capacity	Regions
<b>EMPLOYER APPOINTED TRUSTEES</b>			
Councillor Cornelia N Iiyambula	2008/09/01		Omusati
Councillor Erastus S Kandjimi	2010/09/01		Kavango West
Councillor Veeza C Kasiringua	2011/01/31		Oshikoto
Councillor Moses Shiikwa	2011/09/07	Vice Chairperson	Khomas
Councillor Judith N Muhongo	2014/09/19		Zambezi
Councillor Eunike Shonena	2015/12/04		Ohangwena
Councillor Akser Mwafangeyo	2016/05/26		Erongo
Councillor Gaudentia Krohne	2016/05/31		//Karas
Councillor Gerson /Goagoseb	2016/09/01		Kunene
Councillor Abisai O S Haimene	2016/09/01		Otjozondjupa
Councillor Rudolf Shomongula	2016/09/01		Omaheke
Councillor Katayima C Kupembona	2017/08/22		Kavango East
Councillor Loide K Kaiyamo	2018/09/01		Khomas
Councillor Elden E Kuhanga	2019/09/23		Hardap
Councillor Naemi Amuthenu	2019/08/01		Oshana
<b>MEMBER ELECTED TRUSTEES</b>			
Ms Monicah Muturi	2012/09/01	Chairperson	Oshikoto
Mr Josef A /Urib	2006/06/30		Kunene
Mr Petrus S Sindimba	2010/09/01		Kavango West
Mr Frederick Ueitele	2013/12/01		Omaheke
Mr Chris U Katjitundu	2014/09/19		Khomas
Ms Thandi P Shindi	2014/09/01		//Karas
Mr Ronald R Windswaai	2014/09/01		Hardap
Mr Godfrey M Sitwala	2016/08/26		Zambezi
Mr Damian I Hamunjela	2016/09/01		Oshana
Ms Marlayn S Mbakera	2016/09/01		Otjozondjupa
Ms Tuwilika Ndjendja	2016/09/01		Ohangwena

Board of trustees	Date appointed	Capacity	Regions
<b>MEMBER ELECTED TRUSTEES</b>			
Mr Athanasius N Maghumbo	2017/08/22		Kavango East
Ms Ester N Haihambo	2018/09/01		Erongo
Ms Anna Iiyambo	2018/09/01		Khomas
Mr Isai Hipudilo	2019/04/01		Omusati

**THE FOLLOWING EMPLOYER APPOINTED TRUSTEES TERMS EXPIRED**

	Date resigned	Regions
Councillor Leonard S Negonga	2019/07/31	Oshana
Ms Julia N N Kakwambi	2019/03/31	Omusati

Board of trustees	Date appointed	Capacity	Date resigned/Term expired
<b>PENSIONER REPRESENTATIVES</b>			
Councillor Katrina M Shimbulu	2016/09/23	ALAN	
Mr Deon Gerber	2016/09/30	BOARD	

**FUND OFFICER****Principal officer**

Name: Mr DJ Amwaandangi

**Postal Address:**

P O Box 2721  
Windhoek  
Namibia

**Physical address:**

1 Delius Street  
Windhoek  
Namibia

Telephone number: +264 (0)61 423 710

Email address: dorian.amwaandangi@rflaun.com.na

Date appointed: 01 June 2010

**PROFESSIONAL SERVICE PROVIDERS****Valuator****Name:****Mr Stephen Tom Walker**

Qualifications:

Bachelor of Business Science

Organisation:

Old Mutual Corporate Consultants

Telephone number:

+27 21 509 5152

Date appointed:

01 November 2018

**Postal Address:**

Private Bag 13393  
Windhoek  
Namibia

**Physical address:**

Bay 6H, Mutual park  
Jan Smuts Avenue, Pinelands  
Cape Town  
South Africa

**Auditors**

<b>Full Name:</b>	<b>Ernst &amp; Young Namibia</b>		
Qualifications:	Registered Accountants and Auditors		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 289 1100
P O Box 1857	Cnr Otto Nitzsche and Maritz Streets	Date appointed:	12 December 2006
Windhoek	Windhoek		
Namibia	Namibia		

**Custodian and nominee**

<b>Full Name:</b>	<b>Standard Bank Namibia Limited</b>		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 294 2538
P O Box 3327	Town Square, Post Street Mall	Date appointed:	23 August 2010
Windhoek	Windhoek		
Namibia	Namibia		

**Benefit administrator**

<b>Full Name:</b>	<b>Retirement Fund Solutions Namibia (Proprietary) Limited</b>		
Registration number:	99/349		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 446 000
PO Box 80349	Cnr Feld and Newton Streets	Date appointed:	01 July 2008
Windhoek	Windhoek		
Namibia	Namibia		

**Investment consultant**

<b>Full Name:</b>	<b>NMG Consultants and Actuaries (Proprietary) Limited</b>		
Registration number:	95/276		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 435 8293
Private Bag 13393	3rd Floor, Office Towers	Date appointed:	01 January 2005
Windhoek	Maerua Mall		
Namibia	Windhoek		
	Namibia		

**Benefit consultant**

<b>Full Name:</b>	<b>Elite Consulting Namibia (Proprietary) Limited</b>		
Registration number:	2006/010		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 301 267
Private Bag 3914	Erioloba Offices, Unit 1	Date appointed:	01 February 2008
Windhoek	9 Hugo Hahn Street		
Namibia	Klein Windhoek, Windhoek		
	Namibia		

**Investment administrator**

<b>Full Name:</b>	<b>Allan Gray Namibia (Proprietary) Limited</b>		
Registration number:	96/212		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 221 103
PO Box 230	Ae//Gams, Am Weinberg Building	Date appointed:	01 April 2003
Windhoek	13 Jan Jonker Road		
Namibia	Windhoek		
	Namibia		
<b>Full Name:</b>	<b>Investec Asset Management Namibia (Proprietary) Limited</b>		
Registration number:	96/0045		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 319 500
PO Box 3018	1st Floor	Date appointed:	01 October 2004
Windhoek	6 Thorer Street		
Namibia	Windhoek		
	Namibia		
<b>Full Name:</b>	<b>Namibia Asset Management Limited</b>		
Registration number:	97/397		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 275 700
PO Box 23329	1st Floor, Millennium House	Date appointed:	01 November 1997
Windhoek	Cnr Robert Mugabe and DR AB		
Namibia	Windhoek		
	Namibia		
<b>Full Name:</b>	<b>Old Mutual Life Assurance Company (Namibia) Limited</b>		
Registration number:	97/081		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 299 3999
PO Box 25549	10th Floor, Mutual Towers	Date appointed:	01 November 1999
Windhoek	223 Independence Avenue		
Namibia	Windhoek		
	Namibia		
<b>Full Name:</b>	<b>Capricorn Asset Management (Proprietary) Limited</b>		
Registration number:	2005/648		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 299 1950
PO Box 284	4th Floor, Capricorn House	Date appointed:	01 October 2015
Windhoek	119 Independence Avenue		
Namibia	Windhoek		
	Namibia		
<b>Full Name:</b>	<b>Prudential Portfolio Managers (Namibia) (Proprietary) Limited</b>		
Registration number:	96/185		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 256 166
PO Box 25743	6 Feld Street	Date appointed:	01 October 2004
Windhoek	Windhoek		
Namibia	Namibia		

**Investment administrator**

<b>Full Name:</b>	<b>IJG Capital (Proprietary) Limited</b>		
Registration number:	2007/0268		
<b>Postal Address:</b>	<b>Physical address:</b>	<b>Telephone number:</b>	<b>+264 (0)61 383 500</b>
PO Box 186	Cnr of Grove and Chasie Streets	Date appointed:	01 October 2015
Windhoek	4th Floor, 1@ Steps		
Namibia	Kleine Kuppe		
	Namibia		
<b>Full Name:</b>	<b>EOS Capital (Proprietary) Limited</b>		
Registration number:	2014/0698		
<b>Postal Address:</b>	<b>Physical address:</b>	<b>Telephone number:</b>	<b>+264 (0)61 304 400</b>
PO Box 11526	No 8	Date appointed:	01 October 2015
Windhoek	Rieks Van Der Walt Street		
Namibia	Arians Street, Klein		
	Windhoek		
	Namibia		
<b>Full Name:</b>	<b>Sanlam Life Namibia Limited</b>		
Registration number:	89/269		
<b>Postal Address:</b>	<b>Physical address:</b>	<b>Telephone number:</b>	<b>+264 (0)61 294 7111</b>
PO Box 317	Sanlam Centre	Date appointed:	01 October 2018
Windhoek	145 Independence Avenue		
Namibia	Windhoek		
	Namibia		
<b>Full Name:</b>	<b>Namibia Mid-Cap Fund (Musa Capital)</b>		
Registration number:	15/13		
<b>Postal Address:</b>	<b>Physical address:</b>	<b>Telephone number:</b>	<b>+264 (0)61 246 900</b>
PO Box 1181	No. 5	Date appointed:	N/A
Windhoek	Ballot Street		
Namibia	Windhoek		
	Namibia		

**Risk insurer (Group Life, Permanent Health Insurance and Dread Disease)**

<b>Full Name:</b>	<b>MMI Namibia Holdings Limited</b>		
Registration number:	89/327		
<b>Postal Address:</b>	<b>Physical address:</b>	<b>Telephone number:</b>	<b>+264 (0)61 297 3100</b>
P O Box 3785	MMI House, 4th floor	Date appointed:	01 April 2006
Windhoek	Cnr Dr Frans Indongo and		
Namibia	Werner List Street		
	Windhoek		
	Namibia		



**Risk insurer (Funeral)**

<b>Full Name:</b>	<b>Sanlam Life Namibia Limited</b>		
Registration number:	95/301		
<b>Postal Address:</b>	<b>Physical address:</b>	Telephone number:	+264 (0)61 294 7111
P O Box 317	8th Floor, Sanlam Centre	Date appointed:	01 October 2008
Windhoek	145 Independence Avenue		
Namibia	Windhoek		
	Namibia		

**PARTICIPATING EMPLOYERS****The following employers participate in the fund in terms of the rules of the Fund:**

Arandis Town Council	Khorixas Town Council	Otavi Town Council
Aranos Village Council	Leonardville Village Council	Otjinene Village Council
Aroab Village Council	Luderitz Town Council	Otjiwarongo Municipality
Bethanie Village Council	Nkurenkuru Town Council	Outapi Town Council
CENORED Electricity (Pty) Ltd	Okahandja Municipality	Outjo Municipality
Divundu Village Council	Okahao Town Council	Rehoboth Town Council
Eenhana Town Council	Okongo Village Council	Ruacana Town Council
Gobabis Municipality	Omaruru Municipality	Swakopmund Municipality
Grootfontein Municipality	Omuthiya Town Council	Tsandi Village Council
Helao Nafidi Town Council	Ondangwa Town Council	Tsumeb Municipality
Henties Bay Municipality	Ongwediva Town Council	Usakos Town Council
Kalkrand Village Council	Oniipa Town Council	Walvisbay Municipality
Karasburg Town Council	Opuwo Town Council	Windhoek Municipality
Karibib Town Council	Oranjemund Town Council	Witvlei Village Council
Katima Mulilo Town Council	Oshakati Town Council	
Keetmanshoop Municipality	Oshikuku Town Council	

**STATEMENT OF RESPONSIBILITY BY THE BOARD OF TRUSTEES****RESPONSIBILITIES**

The board of trustees 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 the Pension Funds Act, 1956 (Act No. 24 of 1956) ("hereafter referred to as Pension Funds Act) and other relevant legislation as well as 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 trustees;
- 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 of the Pension Funds Act in Namibia;
- obtained expert advice on matters where they lacked sufficient expertise;

- ensured that the rules, operation and administration of the Fund complied with the Pension Funds Act in Namibia and all other applicable laws in Namibia;
- ensured that fidelity cover was maintained. 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 The Retirement Fund for Local Authorities and Utility Services in Namibia are the responsibility of the board of trustees. The board of trustees 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 pages 19 to 34 have been prepared for regulatory purposes in accordance with:

- the basis of accounting applied to retirement funds in Namibia
- the rules of the Fund; and
- the provisions of the Pension Funds Act in Namibia.

These annual financial statements have been reported on by the independent auditors, Ernst & Young, who were given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The board of trustees believes that all representations made to the independent auditors during their audit were valid and appropriate. The report of the independent auditors is presented on pages 11 to 13.

Notwithstanding the above-mentioned information, the board of trustees wish to draw attention to the following:

### Specific instance of non-compliances

Not all contributions were received in accordance with section 13A of the Act. The following contributions were received later than 7 days after month end:

#### January

Katima Mulilo Town Council  
Leonardville Village Council  
Opuwo Town Council  
Otavi Town Council  
Outjo Municipality  
Rehoboth Town Council  
Usakos Town Council

#### February

Karasburg Town Council  
Katima Mulilo Town Council  
Leonardville Village Council  
Okahandja Municipality  
Opuwo Town Council  
Otavi Town Council  
Outjo Municipality  
Usakos Town Council

### Remedial action taken

Participating Employers are notified on a monthly basis. The Fund has informed the Ministry of Urban and Rural Development. Employers and the CEO of Local Authorities' related organisations have been engaged to rectify the problem. Roadshows include engagement to address the problem.

The Fund will continue to engage directly with the Participating Employers to eliminate non-compliance.

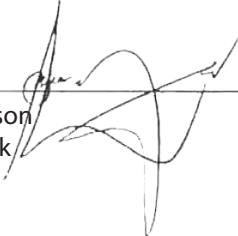
In a situation where time limits set in the Rules are breached, legal action and termination will be considered.

Specific instance of non-compliances	Remedial action taken
<p><b>March</b>            Katima Mulilo Town Council            Oniipa Town Council            Opuwo Town Council            Otavi Town Council            Outjo Municipality            Rehoboth Town Council            Tsumeb Municipality            Usakos Town Council</p>	
<p><b>April</b>            Arandis Town Council            Katima Mulilo Town Council            Opuwo Town Council            Otavi Town Council            Otjinene Village Council            Outjo Municipality            Rehoboth Town Council            Usakos Town Council            Witvlei Village Council</p>	
<p><b>May</b>            Katima Mulilo Town Council            Khorixas Town Council            Opuwo Town Council            Outjo Municipality            Rehoboth Town Council            Usakos Town Council</p>	
<p><b>June</b>            Karibib Town Council            Katima Mulilo Town Council            Khorixas Town Council            Leonardville Village Council            Henties Bay Municipality            Okahao Town Council            Opuwo Town Council            Oranjemund Town Council            Oshakati Town Council            Otavi Town Council            Outjo Municipality            Rehoboth Town Council            Tsumeb Municipality            Usakos Town Council</p>	
<p><b>July</b>            Katima Mulilo Town Council            Luderitz Town Council            Okahao Town Council            Opuwo Town Council            Otjinene Village Council            Outjo Municipality            Usakos Town Council</p>	
<p><b>August</b>            Katima Mulilo Town Council            Khorixas Town Council            Oniipa Town Council            Outjo Municipality            Tsumeb Municipality            Usakos Town Council</p>	


Specific instance of non-compliances	Remedial action taken
<p><b>September</b>            Arandis Town Council            Divundu Village Council            Karasburg Town Council            Katima Mulilo Town Council            Khorixas Town Council            Otjinene Village Council            Outjo Municipality            Usakos Town Council</p> <p><b>October</b>            Karibib Town Council            Katima Mulilo Town Council            Otjinene Village Council            Outjo Municipality            Rehoboth Town Council            Usakos Town Council</p> <p><b>November</b>            Karasburg Town Council            Katima Mulilo Town Council            Khorixas Town Council            Luderitz Town Council            Oniipa Town Council            Opuwo Town Council            Otjinene Village Council            Outapi Town Council            Outjo Municipality            Usakos Town Council</p> <p><b>December</b>            Divundu Village Council            Karasburg Town Council            Karibib Town Council            Katima Mulilo Town Council            Keetmanshoop Municipality            Okahandja Municipality            Oshikuku Town Council            Otjinene Village Council            Outjo Municipality            Rehoboth Town Council            Usakos Town Council</p>	

## STATEMENT OF RESPONSIBILITY BY THE BOARD OF TRUSTEES


These annual financial statements were approved by the board of trustees on 26 June 2020 and are signed on the board of trustee's behalf by:

\_\_\_\_\_  


Chairperson  
Windhoek

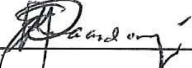
\_\_\_\_\_  


Trustee  
Windhoek

\_\_\_\_\_  


Trustee  
Windhoek

I confirm that for the period under review The Retirement Fund for Local Authorities and Utility Services in Namibia has timeously submitted all regulatory and other returns, statements, documents and any other information as required in terms of the Pension Funds Act in Namibia.

\_\_\_\_\_  


DJ Amwaandangi  
Principal Officer

Windhoek  
26 June 2020

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS



Ernst & Young Namibia  
Cnr Otto Nitzsche and Marilz Streets  
Box 1857  
Windhoek, Namibia

Tel: +264 61 289 1100  
Fax: +264 61 234991  
Registration No.: 9410  
www.ey.com

### INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF RETIREMENT FUND FOR LOCAL AUTHORITIES AND UTILITY SERVICES IN NAMIBIA

#### OPINION

We have audited the annual financial statements of Retirement Fund for Local Authorities and Utility Services In Namibia ("the Fund") set out on pages 24 to 40, which comprise the statement of net assets and funds as at 31 December 2019 and the statement of changes in net assets and funds for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies. The annual financial statements are prepared for the purpose of reporting to the Registrar of Pension Funds.

In our opinion, the annual financial statements of Retirement Fund for Local Authorities and Utility Services In Namibia for the year ended 31 December 2019 are prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in Namibia.

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the ethical requirements applicable to performing audits in Namibia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### EMPHASIS OF MATTER – FINANCIAL REPORTING FRAMEWORK AND RESTRICTIONS ON USE

Without modifying our opinion, we draw attention to the principal accounting policies in which the applicable financial reporting framework is identified, as prescribed by the Registrar. Consequently, the annual financial statements and related auditor's report may not be suitable for another purpose.

#### OTHER MATTER – ACTUARIAL REPORTING

We also note that we do not express an opinion on the financial condition of the fund from an actuarial point of view.

## OTHER MATTERS

As mentioned under the Basis of the Opinion paragraph, we conducted our audit in accordance with the International Standards on Auditing (ISAs) and issued our report in accordance with these ISAs. We draw attention to the fact that we did not use the audit report template as prescribed by the Registrar in the Pension Funds Regulations: Pension Funds Act, 1956 as this is not in accordance with ISAs.

## OTHER INFORMATION

The Board of Trustees is responsible for the other information. The other information comprises the following schedules as required by the Pension Funds Act:

- Regulatory information on pages 2 - 7
- Statement of responsibility by the Board of Trustees on pages 7 - 10
- Statement of responsibility by the Principal Officer on page 11
- Report of the Board of Trustees on pages 15 - 21
- Schedule I – Independent auditor's report to the Board of Trustees and the Registrar of Pension Funds in terms of Section 15 of the Pension Funds Act on pages 37 - 40
- Schedule IA- Annexure A to Schedule I - Schedule to the financial statements on pages 41-52
- Schedule IB - Independent auditor's report to the Board of Trustees on assets held in compliance with Regulation 13 of the Pension Funds Act to the Board of Trustees on pages 52 - 54
- Schedule IC – Assets held in compliance with Regulation 13 of the Pension Funds Act on pages 55 - 63

Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE BOARD OF TRUSTEES FOR THE FINANCIAL STATEMENTS

The Board of Trustees is responsible for the preparation of the annual financial statements in accordance with the regulatory reporting requirements for retirement funds in Namibia and for such internal control as the Board of Trustees determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error. The Board of Trustees is also responsible for compliance with the requirements of the Rules of the Fund and the Pension Funds Act of Namibia.

In preparing the annual financial statements, the Board of Trustees is 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 Trustees either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the annual 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 our 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 annual financial statements.


As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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 our 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 Fund's internal control.
- Conclude on the appropriateness of the Board of Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Statement of Responsibility by the Board of Trustees describes instances of non-compliance with laws and regulations, including those that determine the reported amounts and disclosures in the annual financial statements that have come to the attention of the Board of Trustees and the corrective action taken by the Board of Trustees. There are no additional instances of non-compliance with laws and regulations that came to our attention during the course of our audit of the annual financial statements.



Ernst & Young  
Registered Accountants and Auditors  
Chartered Accountant (Namibia)  
Per: Danica van Wyk  
Partner

Windhoek  
29 June 2020



## REPORT OF THE BOARD OF TRUSTEES

### 1. DESCRIPTION OF THE FUND

#### Type of fund

In terms of Section 1 of the Income Tax Act, (Act 24 of 1981), as amended, the Fund is classified as a pension fund. The Fund is a defined contribution fund.

#### Benefits

The Fund is a defined contribution pension fund that provides lump sum benefits and pensions at retirement. Lump sum death benefits and annuities are payable in respect of members who die prior to retirement. Disability income benefits are payable until normal retirement. On withdrawal, the benefit is a return of contributions plus investment returns.

#### Contributions

##### Members' contributions

The members shall contribute at one of the following rates:

- 7.5%, or
- 9%, or
- 10%, or
- 12%, or
- 14%, or
- 16% of the member's pensionable salary.

Members who joined prior to 1 September 2008 have, in addition to the above rates, the following options:

- 2.5%, or
- 5% of the member's pensionable salary

Members who joined 1 March 1992 (commencement date of the Fund) who were members of a previous fund in which their employer participated, contribute at a rate at which such employees were contributing at that time.

##### Participating employers' contributions

Participating employers shall contribute 21.7% of the member's pensionable salary. At least 14% of the member's pensionable salary is to be applied towards the member's retirement benefit. The remaining 7.7% is to be applied towards the costs of insured benefits as well as administration expenses of the Fund. The balance of the 7.7%, if any, is to be applied towards the member's retirement benefit.

#### Pensioners' account

The pensioners' account comprises an account of all pensions in the course of payment to pensioners and to dependants of members or pensioners. The account consists of investment earnings, transfers received from the members' individual account and reserve account, and payments to pensioners.

#### Rules

Important dates	Date of board of trustees' resolution	Effective date	Date registered by the NAMFISA	Date approved by Namibia Receiver of Revenue
Revised rules	29 April 2014	01 March 2014	04 June 2014	27 June 2014
Rule amendment 1	07 December 2015	01 January 2016	14 December 2015	11 February 2016
Rule amendment 2	01 July 2016	01 August 2016	15 September 2016	28 September 2016
Rule amendment 3	01 July 2016	01 August 2016	16 June 2017	20 June 2017
Rule amendment 4	26 February 2018	01 March 2018	19 March 2018	06 April 2018
Rule amendment 5	20 June 2018	01 July 2018	15 August 2018	21 August 2018
Rule amendment 6	20 September 2019	01 October 2019	Pending approval	Pending approval

**Revised rules**

During the 2014 financial period the rules of the Fund were completely revised and consolidated. The revised consolidated rules were approved by the Registrar and Ministry of Finance respectively on 4 June 2014 and 27 June 2014. One of the most significant changes was to Rule 4.2.3 and the Rule is summarised below:

**Description of the new rule**

The employer shall contribute a total contribution of 21.7% of one-twelfth of each member's fund salary. At least 14% of one-twelfth of each member's fund salary shall be allocated toward the provision of retirement benefits; a maximum of 6% of one-twelfth of the member's fund salary shall be used to meet the cost of insured benefits. The cost of administration shall be covered from the employer contributions and any remaining balance shall be allocated towards retirement funding under the member's fund credit.

**Rule amendment 1**

Rule amendment 1 was approved by the Registrar and the Ministry of Finance respectively on 14 December 2015 and 11 February 2016. A summary of changes to the rules is described below:

ALAN and the Fund are participating employers; governance of the fund was improved by requiring that Trustees must meet at least four times a year, functions of the Executive Committee were clarified and the Management Committee was removed from the rules since the body was dissolved; to allow certain sub-committees to appoint independent persons with expertise in the field concerned to serve on the sub-committee but without voting powers; to provide that unclaimed benefits shall be retained in the Fund for five years instead of three and the definition of participating employer was replaced. Members younger than fifty five that have become incapable, through ill-health or other disablement, of gainful employment may give written notice to the Board, to retire before the age of fifty five years. The Board has the power to delegate any of its management and administrative functions to an Executive Committee.

**Rule amendment 2**

Rule amendment 2 was approved by the Registrar and Ministry of Finance respectively on 15 September 2016 and 28 September 2016. A summary of changes to the rules is described below:

1. To extend the eligibility conditions by allowing employees whose employment is for a limited period to be regarded as eligible for membership of the Fund.
2. To implement a scheme providing dread disease benefits.

**Rule amendment 3**

Rule amendment 3 was approved by the Registrar and Ministry of Finance respectively on 16 June 2017 and 20 June 2017. A summary of changes to the rules is described below:

1. To clarify that a pension payable to a Qualifying Child who provides proof of studies may be reinstated until such child reaches the age of 25 year;
2. To provide Members with greater freedom of choice by extending the range of contribution options to be made available to them.

**Rule amendment 4**

Rule amendment 4 was approved by the Registrar and Ministry of Finance respectively on 19 March 2018 and 06 April 2018. A summary of changes to the rules is described below:

1. To specify the maximum number of Trustees who may serve on a sub-committee
2. To prohibit any Trustee to serve on two sub-committees simultaneously;
3. To provide that the roles of the chairperson and vice-chairperson of the Board are reversed in relation to the Executive Committee.

**Rule amendment 5**

Rule amendment 5 was approved by the Registrar and Ministry of Finance respectively on 15 August 2018 and 21 August 2018. A summary of changes to the rules is described below:

1. To make it clear that Employer representatives may be persons who are in senior positions in business organisations that are Participating Employers in the Fund and do not have to be Councillors in a Local Authority;
2. To provide that late payment interest is paid as the rate earned by the portfolio or bank account in which the benefit is invested or kept pending payment;

3. To clarify that late payment interest on the part of the death benefit that has been insured with a Registered Insurer is payable from the first day of the month following the date on which the amount payable by the Registered Insurer has been received by the Fund and not from actual date on which the money is received;
4. To clarify the practice of the Fund regarding payment of unclaimed benefits.

#### **Rule amendment 6**

During the current financial period rule amendment 6 was submitted to Namfisa for approval. A summary of changes to the rules is described below:

1. To provide that the Normal Retirement Age for Members who remain in employment after reaching the age of 60 years is age 65 years;
2. To address NAMFISA'S concern that the period of six months before legal action is taken against a participating employer whose contributions are in arrears is too long and to provide further details with regard to the action to be taken against a defaulting employer, including the requirement that the affected Members are notified of the non- payment of contributions;
3. To clarify the banking institution used to deposit contributions by the employer by defining the term "Financial Institution";
4. To set out Fit and Proper Requirements in the Rules and to provide that candidates for election or appointment as members of the Board must satisfy the Fit and Proper Requirements and that a member of the Board who fails to satisfy the Fit and Proper Requirement sat any time shall cease to hold office;
5. To enable the Board to suspend a Trustee who is under investigation for fraud, theft, dishonesty or other misconduct until the outcome of the case against him is resolved;
6. To provide that as long as there are enough Trustees to form a quorum among the Board of Trustees, a temporary vacancy does not invalidate the decisions taken by the Board of Trustees during the period before the vacancy is filled.

#### **Reserve account**

The reserve account represents the balance of the difference between the market value of net assets less the share and pensioners accounts respectively. Transfers from the reserve account may be made to enhance the benefits of members and pensioners. The reserve account consists of monies that members are not entitled to on leaving service, additional contributions made by the employer which a member is not entitled to on leaving service, other income not specified in the rules to be allocated otherwise and all investment earnings earned by the Fund.

Any amount standing to the credit of the reserve account may be used towards meeting the Fund's expenses, transfers to the members' individual accounts and pensioners account. The level of the reserve and the pensioners account was determined as part of the actuarial valuation as at 31 December 2018.

## 2. INVESTMENTS FUND

#### **Investment strategy**

The investment strategy of the Fund is set by the board of trustees after taking due consideration of the advice of the fund's investment consultant and other professional advisors. The investments are managed according to the following principles:

#### **General principles**

The Fund's investments are managed by Old Mutual Life Assurance Company (Namibia) Limited, Allan Gray Namibia (Proprietary) Limited, Namibia Asset Management Limited, Investec Asset Management Namibia (Proprietary) Limited, Prudential Portfolio Managers (Namibia) (Proprietary) Limited, Capricorn Asset Management (Proprietary) Limited, IJG Capital (Proprietary) Limited, EOS Capital (Proprietary) Limited and Sanlam Life Namibia Limited. The assets are held in managed funds in order to achieve sound investment returns in the long term. Overall responsibility for investment and performance lies with the Board. The Board and the Investment Committee meet from time to time to conduct the business of the Fund. Full details of investments and the related investment income are set out in note 2 and note 10 respectively to the annual financial statements.

#### **Investment strategy**

The Board of Trustees adopted the following investment strategies for the period under review:

**Investments - effective 01/12/2019**

Allan Gray Namibia (Proprietary) Limited – 24.375%  
 Investec Asset Management Namibia (Proprietary) Limited – 24.375%  
 Namibia Asset Management Limited – 24.375%  
 Prudential Portfolio Managers (Namibia) (Proprietary) Limited – 24.375%  
 Capricorn Asset Management - Beta Portfolio - 2.5%

**Disinvestments - effective 01/12/2019**

Allan Gray Namibia (Proprietary) Limited – 24.375%  
 Investec Asset Management Namibia (Proprietary) Limited – 24.375%  
 Namibia Asset Management Limited – 24.375%  
 Prudential Portfolio Managers (Namibia) (Proprietary) Limited – 24.375%  
 Capricorn Asset Management - Beta Portfolio - 2.5%

**Investments - prior 01/12/2019**

Allan Gray Namibia (Proprietary) Limited – 25%  
 Investec Asset Management Namibia (Proprietary) Limited – 25%  
 Namibia Asset Management Limited – 25%  
 Prudential Portfolio Managers (Namibia) (Proprietary) Limited – 25%

**Disinvestments - prior 01/12/2019**

Allan Gray Namibia (Proprietary) Limited – 25%  
 Investec Asset Management Namibia (Proprietary) Limited – 25%  
 Namibia Asset Management Limited – 25%  
 Prudential Portfolio Managers (Namibia) (Proprietary) Limited – 25%

Contributions received for the Capital Preservation Portfolio prior 1 October 2018 (CPO1), are invested 100% in the Old Mutual Absolute Growth Secure Portfolio.

Contributions received for the Capital Preservation Portfolio after 1 October 2018 (CPO2), are invested 50% in the Old Mutual Absolute Growth Secure Portfolio and 50% in the Sanlam Stable Bonus Portfolio.

The fair value of the Fund's investments, administered by the investment administrators at the end of the period is:

	Current period N\$	Previous period N\$
Allan Gray Namibia (Proprietary) Limited	1 257 272 888	1 156 484 428
Capricorn Asset Management (Proprietary) Limited	60 269 983	40 718 341
EOS Capital (Proprietary) Limited	12 626 411	8 524 551
IJG Capital (Proprietary) Limited	8 969 823	13 604 632
Investec Asset Management Namibia (Proprietary) Limited	846 366 603	762 642 209
Namibia Asset Management Limited	953 202 187	837 773 996
Old Mutual Life Assurance Company (Namibia) Limited	616 659 092	639 998 015
Prudential Portfolio Managers (Namibia) (Proprietary) Limited	1 063 915 945	961 208 985
Sanlam Life Namibia Limited	120 668 337	31 858 371
<b>Total investments managed by investment administrators</b>	<b>4 939 951 269</b>	<b>4 452 813 528</b>

**Investment return**

During the period 1 January 2019 to 31 December 2019, the Fund produced a net annualised investment return of approximately 10.02%.

## 3. MEMBERSHIP

	Current period	Previous period
<b>Active members</b>		
At beginning of period	4 726	4 690
Less: Late exits as at 31/12/2017	(16)	(18)
Less: Members transferred out as at 31/12/2017	(3)	(1)
<b>Adjusted opening balance:</b>	<b>4 707</b>	<b>4 671</b>
Additions	248	256
Transfers (out of) / into the Fund	3	1
<b>Less:</b>		
Withdrawals	(94)	(91)
Deaths	(26)	(15)
Retirements	(109)	(96)
<b>At end of period</b>	<b>4 729</b>	<b>4 726</b>

	Current period	Previous period
<b>Pensioners</b>		
At beginning of period	1 502	1 393
New pensioners	159	148
Reinstatement of suspended pensioners	350	346
<b>Less:</b>		
Deaths	(33)	(42)
Suspension of pensioners	(370)	(322)
Terminations	(14)	(21)
<b>At end of period</b>	<b>1 594</b>	<b>1 502</b>

**Suspended pensioners**

At beginning of period	250	331
Suspensions	370	322
New pensioner suspensions*	0	1
Reinstatements	(350)	(346)
Terminations	(39)	(44)
Deaths	(39)	(14)
<b>At end of period</b>	<b>192</b>	<b>250</b>

\* These pensioners are new pensioners (not through retirements) that were immediately suspended at the commencement of their pension.

**Unclaimed benefits**

At beginning of period	3	1
Additions	-	4
<b>Less:</b>		
Paid during the year	-	(2)
Other adjustment	(1)	-
<b>At end of period</b>	<b>2</b>	<b>3</b>

The strategy of the Board of Trustees towards unclaimed benefits is that the members' benefits are invested in line with the overall investment strategy until all claim documentation has been received.

Complete records, as prescribed, are maintained by the Fund for unclaimed benefits.

**4. ACTUARIAL VALUATION**

The annual financial statements summarise the transactions and net assets of the Fund. They 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 upon by the valuator at intervals not exceeding three years, however the Fund requested that actuarial review be done on a yearly basis.

A statutory valuation was undertaken for 31 December 2018. At this date the valuator reported that the Fund was in a sound financial position.

The next statutory valuation of the Fund will be prepared as at 31 December 2021.

**5. HOUSING LOAN FACILITIES*****Housing loan guarantees***

The Fund has granted housing loan guarantees in terms of Section 19(5) of the Pension Funds Act in Namibia for the defined contribution members of the fund. Each loan is secured by the withdrawal benefit of the respective member.

Guarantees of N\$ 172 688 575 (2018: N\$ 149 499 306) were provided to members of the Fund at 31 December 2019 for loans granted by First National Bank Namibia Limited.

No guarantees were provided to members of the Fund at 31 December 2019 regarding Standard Bank Namibia Limited since no loans have yet been issued to members of the Fund.

**6. INVESTMENTS IN PARTICIPATING EMPLOYERS**

The Fund holds no direct investments in the participating employers.

**7. FIDELITY COVER**

During the period under review adequate fidelity cover was maintained in compliance with the rules of the Fund for the administrator and Trustees.

## 8. COMMITMENTS IN TERMS OF REGULATION 13

The Fund has entered into subscription agreements with Allegrow Fund (Proprietary) Limited, Caliber Capital Fund and IJG Frontier Investment Fund Limited and committed N\$ 81 180 349 (2018: N\$ 77 500 000) to comply with the requirements of regulation 13 to invest in unlisted investments. Investments made in terms of this commitment had a fair value of N\$ 37 729 563 at 31 December 2019 (2018: N\$ 37 941 591).

## 9. SUBSEQUENT EVENTS

No matter which is material to the financial affairs of the Fund has occurred between the period ended 31 December 2019 and the date of approval of the annual financial statement other than listed below:

### Section 14 transfers to the Fund:

The accumulated assets of Government Institutions Pension Fund (GIPF): Witvlei Village Council and Kalkrand Village Council were transferred in terms of a Section 14 to The Retirement Fund for Local Authorities and Utility Services in Namibia on 21 February 2020. The Namfisa approval dates for the two funds were 27 January 2020 and 22 January 2020, respectively. The total value transferred for Witvlei Village Council and Kalkrand Village Council amounted to N\$6 084 330.

### Purchase of property:

Erf 536, Delius Street, Windhoek, Namibia was registered in the Fund's name on 19 March 2019 with a purchase price valued at N\$6 250 000. The purchase of the property from Plan Africa Consulting CC was finalised on 13 February 2020.

### Covid - 19:

The Corona Virus (Covid-19) which started in the last few weeks of 2019 in Wuhan, the capital city of China's Hubei province, was declared a global pandemic by the World Health Organisation on 30 January 2020. The effects of the Corona Virus (Covid-19) from 2019, continued in 2020, have been evaluated and require no adjustment or disclosure in the annual financial statements. The Government of Namibia has introduced a raft of measures to curb the potential spread of the virus in Namibia such as border control, closure of public areas and limitation of social contact amongst others.

As such, it is anticipated that these measures will have a negative effect on the participating employers of the Fund in 2020, however, it is still too early to quantify the impact. It is however expected to have a minimal or no increase in salaries. It is foreseen that The Fund might experience slow growth in pensionable salaries while membership remain static with delay is re-hiring as the Namibian Economy was already struggling significantly before the outbreak. It is also expected that due to this the number of Participating Employers struggling/paying late contributions will also increase. If Covid-19 infections increase there is likelihood of increase in GLA due to Covid-19 related deaths and hence an increase the premiums.

Due to Government restrictions and regulations to combat the spread of Covid-19, changes in consumer spending and services rendered by local authorities are expected. For these reasons, it is anticipated that participating employers might not always be in a position to comply with Section 13A of the Pension Funds Act and that late contribution payments might increase.

The Fund's investments were volatile for the first quarter of 2020. As anticipated, the Fund's market linked portfolio reacted to the global crisis. This resulted in a year-to-date return of -9.6% for the Fund's market portfolio compared to -13.6% Benchmark performance as at 31 March 2020. Positive returns for the months of April 2020 and May 2020 has seen a positive swing on investments, yielding a year-to-date return as at 31 May 2020 of -1.5% against the Benchmark performance of -3.5% for the Fund's market portfolio."

Although the full impact is unknown at this stage and although the Fund might encounter new challenges in the future due to the Covid-19, it is expected that the Fund will be able to continue as it is a defined contribution fund and the liabilities will be paid out to the members.

## STATEMENT OF NET ASSETS AND FUNDS

	Notes	Current period N\$	Previous period N\$
<b>Assets</b>			
<b>Non-current assets</b>		<b>4 953 308 656</b>	<b>4 468 164 400</b>
Property, plant and equipment	1	13 357 387	15 350 872
Investments	2	4 939 951 269	4 452 813 528
<b>Current assets</b>		<b>50 579 809</b>	<b>54 404 693</b>
Accounts receivable	5	6 099 980	2 138 245
Contributions receivable	6.2	25 997 321	25 442 784
Cash at bank	2	18 482 508	26 823 664
<b>Total assets</b>		<b>5 003 888 465</b>	<b>4 522 569 093</b>
<b>Funds and Liabilities</b>			
<b>Members' funds</b>		<b>4 607 761 444</b>	<b>4 260 797 353</b>
Active members' individual accounts		3 554 986 277	3 238 102 641
Pensioner's accounts		1 052 775 167	1 022 694 712
<b>Reserves</b>		<b>322 001 437</b>	<b>195 570 759</b>
Reserve accounts	15	322 001 437	195 570 759
<b>Total funds and reserves</b>		<b>4 929 762 881</b>	<b>4 456 368 112</b>
<b>Non-current liabilities</b>		<b>78 857</b>	<b>1 960 515</b>
Unclaimed benefits	7	78 857	1 960 515
<b>Current liabilities</b>		<b>74 046 727</b>	<b>64 240 466</b>
Benefits payable	8	65 850 035	58 187 817
Accounts payable	9	8 196 692	6 052 649
<b>Total funds and liabilities</b>		<b>5 003 888 465</b>	<b>4 522 569 093</b>



## STATEMENT OF CHANGES IN NET ASSETS AND FUNDS

### Current Period

	Notes	Active Members' Individual Accounts	Pensioners' Account	Reserve Account	Total
		N\$	N\$	N\$	N\$
Contributions received and accrued	6.1	276 218 292	-	58 791 035	335 009 327
Net investment income	10	-	-	405 487 433	405 487 433
Reinsurance proceeds – Disabilities		-	-	3 121 940	3 121 940
Reinsurance proceeds – Deaths		19 396 410	-	-	19 396 410
<b>Net income before expenses</b>		<b>295 614 702</b>	<b>-</b>	<b>467 400 408</b>	<b>763 015 110</b>

### Less:

Reinsurance premiums		-	-	(28 873 957)	(28 873 957)
Administration expenses	11	-	-	(29 464 859)	(29 464 859)
<b>Net income before transfers and benefits</b>		<b>295 614 702</b>	<b>-</b>	<b>409 061 592</b>	<b>704 676 294</b>

<b>Transfers and benefits</b>		(146 421 705)	(76 776 081)	(8 083 739)	(231 281 525)
Transfers from other funds	4	5 948 667	-	-	5 948 667
Benefits	8	(152 370 372)	(76 776 081)	(8 083 739)	(237 230 192)
<b>Net income after transfers and benefits</b>		<b>149 192 997</b>	<b>(76 776 081)</b>	<b>400 977 853</b>	<b>473 394 769</b>

<b>Funds and reserves</b>					
Balance at beginning of period		3 238 102 641	1 022 694 712	195 570 759	4 456 368 112
<b>Prior period adjustments:</b>					
Actuarial adjustment		-	(6 923 034)	6 923 034	-
Bonus allocation to active members		281 470 209	-	(281 470 209)	-
		<b>3 668 765 847</b>	<b>938 995 597</b>	<b>322 001 437</b>	<b>4 929 762 881</b>

Transfer to Pensioners' Account – Capital lump sum on retirement		(113 779 570)	113 779 570	-	-
<b>Balance at end of period</b>		<b>3 554 986 277</b>	<b>1 052 775 167</b>	<b>322 001 437</b>	<b>4 929 762 881</b>

Previous Period	Notes	Active Members' Individual Accounts	Pensioners' Account	Reserve Account	Total
		N\$	N\$	N\$	N\$
Contributions received and accrued	6.1	261 231 627	-	55 531 033	316 762 660
Net investment income	10	-	-	(7 944 907)	(7 944 907)
Reinsurance proceeds – Disabilities		-	-	3 135 160	3 135 160
Reinsurance proceeds – Deaths		9 335 486	-	-	9 335 486
<b>Net income before expenses</b>		<b>270 567 113</b>	<b>-</b>	<b>50 721 286</b>	<b>321 288 399</b>
<b>Less:</b>					
Reinsurance premiums		-	-	(27 060 223)	(27 060 223)
Administration expenses	11	-	-	(26 906 720)	(26 906 720)
<b>Net income before transfers and benefits</b>		<b>270 567 113</b>	<b>-</b>	<b>(3 245 657)</b>	<b>267 321 456</b>
<b>Transfers and benefits</b>					
		(156 431 092)	(67 481 987)	(6 882 196)	(230 795 275)
Transfers from other funds		1 231 283	-	-	1 231 283
Benefits	8	(157 662 375)	(67 481 987)	(6 882 196)	(232 026 558)
<b>Net income after transfers and benefits</b>		<b>114 136 021</b>	<b>(67 481 987)</b>	<b>(10 127 853)</b>	<b>36 526 181</b>
<b>Funds and reserves</b>					
Balance at beginning of period		3 236 812 374	878 687 946	304 341 611	4 419 841 931
<b>Prior period adjustments:</b>					
Actuarial adjustment		-	102 022 266	(102 022 266)	-
Final bonus allocation to active members		(3 379 267)	-	3 379 267	-
		<b>3 347 569 128</b>	<b>913 228 225</b>	<b>195 570 759</b>	<b>4 456 368 112</b>
Transfer to Pensioners' Account – Capital lump sum on retirement		(109 466 487)	109 466 487	-	-
<b>Balance at end of period</b>		<b>3 238 102 641</b>	<b>1 022 694 712</b>	<b>195 570 759</b>	<b>4 456 368 112</b>

## NOTES TO THE FINANCIAL STATEMENTS

### BASIS OF PREPARATION

The annual financial statements are prepared for regulatory reporting requirements in accordance with the Regulations of the Pension Funds Act in Namibia. The regulations require that the basis of accounting applied by the pension fund comprise of general accepted accounting practice, as applied to retirement funds in Namibia: except for the following requirements:

- the recognition, measurement and disclosure of actuarial liabilities;
- disclosure of cash flow information;
- disclosure of prior year adjustments;
- presentation of consolidated annual financial statements in which investments in subsidiaries are consolidated in accordance with the standard on consolidated and separate annual financial statements, and
- disclosure of quantitative risk disclosures as required by IFRS7.

The annual financial statements are prepared and presented on the historical cost and going concern basis, except for items carried at fair value as set out in the accounting policies below. The annual financial statements are measured and presented in the functional currency.

### PRINCIPAL ACCOUNTING POLICIES

The following are the principal accounting policies adopted and applied consistently for similar transactions, other events and circumstances for the reporting period, and are consistent in all material respects with those applied to the previous period, by the Fund, except as otherwise indicated.

### INVESTMENTS

#### Investments in 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 another entity. A financial asset or a financial liability is recognised when its contractual arrangements becomes binding.

Investments in financial instruments are classified and measured as follows:

Investment	Classification	Carrying value
<b>Equities:</b>		
NSX - primary listing	At fair value through Statement of Changes in Net Assets and Funds	Fair value
NSX - secondary listing (dual listing)	At fair value through Statement of Changes in Net Assets and Funds	Fair value
JSE – listing	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Foreign listed equities	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Collective investment schemes	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Debentures	Loans and receivables	Amortised cost
Debt instruments	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Derivative market instruments	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Cash and deposits	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Insurance policy:	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Non-market related policies	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Non-linked policies	At fair value through Statement of Changes in Net Assets and Funds	Fair value
Unlisted investments	At fair value through Statement of Changes in Net Assets and Funds	Fair value

## AT FAIR VALUE THROUGH STATEMENT OF CHANGES IN NET ASSETS AND FUNDS

A financial asset at fair value through the statement of changes in net assets and funds is recognised on acquisition using trade date accounting. Upon initial recognition it is designated at fair value through the statement of changes in net assets and funds.

### **Carrying value**

A financial asset at fair value through the statement of changes in net assets and funds is measured at fair value, which is the fair value without any deduction for transaction costs that may be incurred on sale or other disposal. Transaction costs on acquisition are expensed on occurrence through the statement of changes in net assets and funds.

### **Fair value is determined as follows:**

#### *Listed investments*

Investments listed on a recognised stock exchange are valued by reference to stock exchange quoted selling prices at the close of business on the reporting date.

#### *Unlisted investments*

Unlisted equity investments are calculated by the board of trustees, with reference to the directors' valuation as at the end of the reporting period.

#### *Linked insurance policies*

Linked insurance policies are valued at the equivalent to the market value of the underlying assets as certified by the investment insurers concerned.

#### *Non-linked related insurance policies*

Non-linked insurance policies are valued at the equivalent of the guaranteed amount and bonuses as certified by the insurer concerned. Non-vested income is included in the valuation.

#### *Collective investment schemes*

Collective investment schemes are valued at the equivalent to the market value of the underlying assets as certified by the investment managers concerned.

#### *Cash and deposits*

Cash and deposits are valued at market value.

#### *Subsequent measurement*

Any gain or loss arising on re-measurement to fair value of a financial asset classified as at fair value is recognised in net investment income in the reporting period of occurrence.

#### *Derecognition*

On derecognition, a financial asset classified as at fair value through statement of changes in net assets and funds is remeasured to fair value at the date of derecognition.

## LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised when the asset is acquired using trade date accounting.

Loans and receivables are measured at amortised cost.

### **Amortised cost**

Amortised cost is calculated by using the effective interest rate method as adjusted for any impairment. Transaction costs on acquisition are included in the cost of the asset on initial recognition.

**Impairment**

Losses measured on impairment and gains recognised on the reversal of impairments are recognised as an expense or income in the Statement of changes in net assets and funds in the reporting period of occurrence.

**Gains and losses**

A gain or loss on loans and receivables is recognised in the Statement of changes in net assets and funds when the financial asset is derecognised or impaired, and through the amortisation process.

**TRANSFERS FROM OTHER FUNDS****Individual transfers from other funds**

Individual transfers are recognised when the individual member's transfer value is received.

**TRANSFERS TO OTHER FUNDS****Section 14 transfers to other funds**

Section 14 transfers to other funds are recognised on approval being granted by the Registrar.

**OTHER FINANCIAL INSTRUMENTS**

Financial instruments other than investments and transfers to and from other funds are recognised at amortised cost. Other financial assets are tested for impairment annually and adjusted for any impairment write offs and reversals.

**CONTRIBUTIONS**

Gross contributions are brought to account on the accrual basis.

**DIVIDEND INCOME**

Dividend income is recognised when the right to receive payment is established.

**INSURANCE POLICY INCOME**

Insurance policy income is recognised when the right to receive payment is established.

**INTEREST INCOME**

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period of maturity, when it is determined that such income will accrue to the Fund.

**COLLECTIVE INVESTMENT SCHEMES INCOME**

Income on collective investment schemes is recognised when the entitlement to the income is established.

## PROPERTY PLANT AND EQUIPMENT

The cost of an item of property plant and equipment is recognised as an asset when:

- It is probable that future economic benefits associated with the item will flow to the company and
- the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire an item of property plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognized in the carrying amount of an item of property plant and equipment, the carrying amount of the replaced part is derecognized.

Plant and equipment is carried at cost less accumulated depreciation and impairment losses.

After recognition as an asset, the property shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made at an interval of three years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The expected useful lives applied are:

Computer equipment & software	3 years
Furniture & fittings	7 years
Office equipment	5 Years
Vehicles	5 Years
Buildings	25 years
Land	Infinite useful life

The asset depreciation rates and residual values are reviewed and adjusted if appropriate at each statement of financial position date.

Each part of an item of plant and equipment with a cost that is significant in relation to total cost of the item shall be depreciated separately.

The depreciation charge for each period is recognized in profit or loss.

The gain or loss arising from the derecognition of an item of plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

## PROVISION FOR EMPLOYEE BENEFITS

Employee benefits for compensated absences arising from past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, are recognised as a provision at the net total of the present value of the obligation at the reporting date. Changes in the outstanding obligation in a reporting period are recognised in the statement of changes in net assets and funds.

## COMPARATIVES

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current reporting period.

## 1. PROPERTY, PLANT AND EQUIPMENT

Current period	At beginning of period	Additions	Disposals	Revaluation reserve	Other movements	At end of period
	N\$	N\$	N\$	N\$	N\$	N\$
<b>Gross carrying amount</b>						
Land and buildings	15 040 000	-	-	(1 940 000)	-	13 100 000
Computer equipment and software	1 369 942	72 632	-	-	-	1 442 574
Furniture and fittings	502 661	10 286	-	-	-	512 947
Office equipment	329 032	46 840	-	-	-	375 872
	<b>17 241 635</b>	<b>129 758</b>	<b>-</b>	<b>(1 940 000)</b>	<b>-</b>	<b>15 431 393</b>

Current period	At beginning of period	Depreciation charges	Accumulated depreciation on disposals	Impairment	Other movements	At end of period
	N\$	N\$	N\$	N\$	N\$	N\$
<b>Accumulated depreciation and impairment</b>						
Land and buildings	-	-	-	-	-	-
Computer equipment and software	(1 327 117)	(30 155)	-	-	-	(1 357 272)
Furniture and fittings	(328 158)	(72 974)	-	-	12 393	(388 739)
Office equipment	(235 488)	(51 489)	-	-	(41 018)	(327 995)
	<b>(1 890 763)</b>	<b>(154 618)</b>	<b>-</b>	<b>-</b>	<b>(28 625)</b>	<b>(2 074 006)</b>

	2019 N\$
Land and buildings	13 100 000
Computer equipment and software	85 302
Furniture and fittings	124 208
Office equipment	47 877
<b>Net carrying amount end of period</b>	<b>13 357 387</b>

**Land and buildings comprise of:**

Erf 540 (a portion of block LXXII), measuring 1 540 m<sup>2</sup>, Windhoek purchased during 2010 for N\$900 000. The property is housing the operating activities of the Fund.

## Previous period

	At beginning of period	Additions	Disposals	Revaluation reserve	Other movements	At end of period
	N\$	N\$	N\$	N\$	N\$	N\$

## Gross carrying amount

Land and buildings	15 100 000	-	-	( 60 000)	-	15 040 000
Computer equipment and software	1 366 801	8 001	-	-	( 4 860)	1 369 942
Furniture and fittings	793 844	27 086	-	-	(318 269)	502 661
Office equipment	-	5 903	-	-	323 129	329 032
	<b>17 260 645</b>	<b>40 990</b>	<b>-</b>	<b>( 60 000)</b>	<b>-</b>	<b>17 241 635</b>

## Previous period

	At beginning of period	Depreciation charges	Accumulated depreciation on disposals	Impairment	Other movements	At end of period
	N\$	N\$	N\$	N\$	N\$	N\$

## Accumulated depreciation and impairment

Land and buildings	-	-	-	-	-	-
Computer equipment and software	(1 333 619)	(71 143)	-	-	77 645	(1 327 117)
Furniture and fittings	(404 041)	(17 443)	-	-	93 326	(328 158)
Office equipment	-	( 64 517)	-	-	( 170 971)	( 235 488)
	<b>(1 737 660)</b>	<b>(153 103)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 890 763)</b>

	<b>2018</b>
	<b>N\$</b>
Land and buildings	15 040 000
Computer equipment and software	42 825
Furniture and fittings	174 503
Office equipment	93 544
<b>Net carrying amount end of period</b>	<b>15 350 872</b>



## 2. INVESTMENTS

Current Period	Local	Common Monetary Area	Foreign	Total current period	Total previous period
	N\$	N\$	N\$	N\$	N\$
<b>Investment summary</b>					
<b>At fair value</b>					
Cash and deposits	537 533 645	45 047 152	7 548 262	590 129 059	433 041 718
Debt instruments	454 442 842	7 276 507	8 391 743	470 111 092	478 213 165
<b>Equities:</b>					
Equities with primary listing on NSX	355 446 936	-	-	355 446 936	288 573 721
Equities with secondary listing on NSX (dual listing)	290 141 065	-	-	290 141 065	362 209 504
Foreign listed equities	-	801 836 408	-	801 836 408	805 447 931
Equity Index Linked instruments	91 068 643	4 815 516	132 834 249	228 718 408	220 649 864
Private equity funds	38 894 313	-	-	38 894 313	37 941 591
<b>Insurance policies:</b>					
Non-market related policies	737 327 428	-	-	737 327 428	671 856 386
Collective investment schemes	252 635 058	-	1 174 622 347	1 427 257 405	1 154 879 648
Derivatives	-	-	89 155	89 155	-
<b>Total</b>	<b>2 757 489 930</b>	<b>858 975 583</b>	<b>1 323 485 756</b>	<b>4 939 951 269</b>	<b>4 452 813 528</b>
<b>At amortised cost</b>					
Cash at bank	18 482 508	-	-	18 482 508	26 823 664
<b>Total</b>	<b>18 482 508</b>	<b>-</b>	<b>-</b>	<b>18 482 508</b>	<b>26 823 664</b>

## 3. HOUSING LOAN FACILITIES

**Housing loan guarantees**

The Fund provides guarantees to First National Bank Namibia Limited and Standard Bank Namibia Limited to secure housing loans for its members. Each guarantee is secured by the withdrawal benefit of the respective members on whose behalf the guarantees were granted. The amount of the guarantee may not exceed 1/3 of the withdrawal benefit of the respective members. The total guarantee facility available to the Fund is based on the fund credits of all members, subject to the 1/3 which they are allowed to borrow. Guarantees amounting to N\$ 172 688 575 (2018: N\$ 149 499 306) have been provided to the members of the Fund.

## 4. TRANSFERS FROM OTHER FUNDS

Current Period	No. of members	At beginning of period	Transfers approved	Net investment return	Assets transferred and adjustments	At end of period
	N\$	N\$	N\$	N\$	N\$	N\$
Individual transfers	4	-	1 148 672	-	(1 148 672)	-
Opuwo Town Council	44	-	4 799 995	-	(4 799 995)	-
<b>Total Transfers approved</b>	<b>48</b>	<b>-</b>	<b>5 948 667</b>	<b>-</b>	<b>(5 948 667)</b>	<b>-</b>

## Transfers applied for, not yet approved (section 14)

	Effective date	Total N\$
Kalkrand Village Council	01/05/2019	1 690 841
Witvlei Village Council	01/03/2019	4 393 489

## 5. ACCOUNTS RECEIVABLE

	Current period	Previous period
	N\$	N\$
<b>Reinsurance proceeds:</b>		
Group life assurance	6 099 980	2 138 245
	<b>6 099 980</b>	<b>2 138 245</b>

## 6.1 CONTRIBUTIONS

	Towards retirement	Towards reinsurance and expenses	Total contributions Current period	Total contributions Previous period
	N\$	N\$	N\$	N\$
Members' contributions - Received and accrued	117 534 826	-	117 534 826	110 078 791
Employers' contributions - Received and accrued	158 683 466	58 791 035	217 474 501	206 683 869
	<b>276 218 292</b>	<b>58 791 035</b>	<b>335 009 327</b>	<b>316 762 660</b>

## 6.2 CONTRIBUTIONS RECEIVABLE

	Current period	Previous period
	N\$	N\$
Members' contributions – accrued	9 056 043	8 876 975
Employers' contributions – accrued	16 941 278	16 565 809
<b>Total</b>	<b>25 997 321</b>	<b>25 442 784</b>

## 7. UNCLAIMED BENEFITS

	Current period	Previous period
	N\$	N\$
At beginning of period	1 960 515	1 881 662
Transferred (to)/from benefits payable	(1 881 658)	354 272
<b>Less:</b>		
Benefits paid	-	(275 419)
<b>Balance at end of period</b>	<b>78 857</b>	<b>1 960 515</b>

## 8. BENEFITS

	Benefits for Current period	Benefits for Previous period	Benefits due Current period	Benefits due Previous period
	N\$	N\$	N\$	N\$
<b>Post retirement</b>	<b>80 163 887</b>	<b>71 094 734</b>	-	-
Monthly pensions - Disabilities	3 387 803	3 612 747	-	-
Monthly pensions - Pensioners	76 776 084	67 481 987	-	-
<b>On retirement</b>	<b>63 255 198</b>	<b>73 576 598</b>	<b>2 622 978</b>	<b>12 436 381</b>
<b>Lump sums on retirement</b>				
Full benefit	63 255 198	73 576 598	2 622 978	12 436 381
<b>Pre-retirement</b>	<b>89 115 174</b>	<b>84 085 777</b>	<b>63 227 057</b>	<b>45 751 436</b>
<b>Lump sums before retirement</b>				
Death benefits	34 995 439	20 591 405	47 771 050	25 488 272
Withdrawal benefits	54 119 735	63 494 372	15 456 007	20 263 164
<b>Others</b>	<b>4 695 932</b>	<b>3 269 449</b>	-	-
Benefits awarded – adjustments	(61 663)	(8 815)	-	-
Benefits awarded – late payment interest	4 757 595	3 278 264	-	-
	<b>237 230 191</b>	<b>232 026 558</b>	<b>65 850 035</b>	<b>58 187 817</b>

## 9. ACCOUNTS PAYABLE

	Current period	Previous period
	N\$	N\$
Administration fees	759 901	748 723
<b>Reinsurance premiums:</b>		
Group life assurance	3 199 231	3 153 878
Permanent health insurance	1 153 706	990 837
Funeral	235 675	146 398
Dread disease	404 118	398 390
Sundry creditors	2 444 061	614 423
	<b>8 196 692</b>	<b>6 052 649</b>

## 10. NET INVESTMENT INCOME

	Current period	Previous period
	N\$	N\$
<b>Income from investments</b>		
Dividends	59 347 682	60 167 953
Interest	102 806 108	75 844 758
Other	3 569 226	632 508
Interest on late payment of contributions	163 253	100 552
Interest on cash at bank	1 844 079	3 373 066
Adjustment to fair value	262 143 330	(127 073 533)
	<b>429 873 678</b>	<b>13 045 304</b>
Less: Expenses incurred in managing investments		
Investment administrator fees	(22 446 245)	(20 990 211)
Revaluation of Property	(1 940 000)	-
	<b>405 487 433</b>	<b>(7 944 907)</b>

## 11. ADMINISTRATION

	Current period	Previous period
	N\$	N\$
Actuarial fees	107 250	173 000
<b>Administration fees</b>		
- Standard	8 558 267	8 102 320
- Non standard	651 507	679 861
Advertising expenses	558 486	346 756
Audit fees	381 424	393 766
Bank charges	145 991	119 293
Consulting & professional fees	103 909	175 723
Fund consulting fees	501 700	477 202
Courier fees	37 949	41 333
Depreciation	154 618	153 103
Institute of retirement fund fees	39 842	37 345
Insurance	127 053	118 314
Investment advisor fees	383 295	286 879
Legal expenses	48 750	-
NAMFISA levies	431 858	445 965
Office expenses	1 318 700	1 192 965
Payroll services	171 351	151 720
Postage	48 336	-
Telephone expenses	43 226	44 726

Trustee expenses: training & meeting allowances	7 798 089	7 062 772
Trustee liability insurance	89 850	89 850
Staff salaries	6 884 656	6 225 999
Staff training	408 318	144 563
Statutory reporting costs	-	22 122
Security expenses	170 397	149 354
VET levies	65 321	57 807
Water and electricity	234 716	213 980
	<b>29 464 859</b>	<b>26 906 720</b>

## 12. CONTINGENT LIABILITY

### Suspended pensioners

The Fund sends out a certificate of existence to each pensioner at the start of each financial year to verify if members, that get paid regular pension payments, exist. Members who do not respond to these certificates get suspended if the certificate is not returned by the end of June each year. Children over the age of 18 receiving pensions also get suspended in December each year if they do not provide the fund with proof that they are enrolled at an educational institution.

As it is not possible to determine with absolute certainty which of these pensioners that are suspended at year end will submit a claim to the Fund for their suspended pension, no liability is raised.

The amount of suspended pensions for pensioners as at 31 December 2019 is N\$ 12 517 500 (2018: N\$ 16 587 802).

## 13. RISK MANAGEMENT POLICIES

### Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in the market. Market risk applies to all investments accounted for at fair value.

#### Market risk comprises:

#### *Currency risk*

Currency risk is the risk that the value of a financial instrument will fluctuate, in Namibian Dollar, because of changes in foreign exchange rates.

#### *Fair value interest rate risk*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

#### *Price risk*

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument, or its issuer, or factors affecting all instruments traded in the market.

The investment mandate is structured by the board of trustees consistent with the Fund's investment strategy. Market risk is managed in accordance with the Fund's investment strategy and within the framework of statutory requirements. All components of market risk are, in turn, managed by the outsourced asset managers, appointed by the trustees, in accordance with their mandates and/or investment policies, through diversification.

**Cash flow interest rate risk**

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in the interest rate. In the case of a floating rate debt instrument, for example, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its value. Cash flow interest risk is limited to interest bearing financial instruments that are accounted for at amortised cost.

Cash flow interest rate risk is managed in accordance with the Fund's investment strategy by the fund's outsourced asset managers, in accordance with their mandates and/or investment policies.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation, and cause the other party to incur a financial loss. A credit risk also arises when the Fund has the right of set-off or to settle net in respect of certain assets and liabilities but does not intend to do so.

Credit risk is managed by investing in well researched institutions of high credit standing and reputation and investments in financial instruments are made with institutions of high credit ratings.

**Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset at close to its fair value on short notice.

This risk is managed by evaluating the liquidity restrictions of all Fund investments and then evaluating the possible impact of such restrictions, taking into account the diversification within the Fund's investments.

**Legal risk**

Legal risk is the risk that the Fund will be exposed to contractual obligations which have not been provided for.

The Fund ensures that for all significant contractual obligations, as provided for in terms of the rules, provisions have been raised in the annual financial statements.

## 14. RELATED PARTY TRANSACTIONS

The following transactions between the participating employer and the Fund occurred during the period:

**Principal Officer office fees**

During the current financial period, fees amounting to N\$ 7 292 974 (2018: N\$ 6 370 562) were paid to the office of the Principal Officer.

**Administration & consulting fees**

Administration fees of N\$ 9 209 774 (2018: N\$ 8 782 181) were paid to the administrator of the Fund. Consulting fees of N\$ 673 051 (2018: N\$ 628 922) were paid to the consultants of the Fund.

**Board of Trustees**

- Some trustees of the Fund make contributions to the Fund and are entitled to benefits from the Fund.
- The trustees of the Fund incurred expenses to the amount of N\$ 7 887 939 (2018: N\$ 7 152 622) during the current financial period.

**Participating employer and Fund transactions**

The following transactions between the participating employer's and the Fund occurred during the period. The participating employer's made contributions to the Fund for members' retirement and towards the Fund's expenses to the value of N\$ 276 218 292 (2018: N\$ 261 231 627) and N\$ 58 791 035 (2018: N\$ 55 531 033) respectively (refer to note 6.1 of the annual financial statements).

PHI premiums amounting to N\$ 6 347 818 (2018: N\$ 5 684 530) and funeral premiums amounting to N\$ 1 100 781 (2018: N\$ 859 706) were settled against the contributions towards risk and expenses. Included in accounts payable is an amount payable to the employer towards outstanding PHI premiums (refer to note 9 of the annual financial statements).

## 15. RESERVE ACCOUNTS

	Current period	Previous period
	N\$	N\$
<b>At beginning of period</b>	<b>195 570 759</b>	<b>304 341 611</b>
Net income after transfers and benefits (as per Statement of Changes in Net Assets and Funds)	400 977 853	(10 127 853)
Actuarial adjustment	6 923 034	(102 022 266)
Final bonus allocation to active and exited members	(281 470 209)	3 379 267
<b>At end of period</b>	<b>322 001 437</b>	<b>195 570 759</b>

## SCHEDULE 1



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## Independent Auditor's Report to the Board of Trustees of Retirement Fund for Local Authorities and Utility Services in Namibia and the Registrar of Pension Funds in terms of Section 15

## SCOPE

We have performed the procedures agreed with you and enumerated below with respect to the accounting records of Retirement Fund for Local Authorities and Utility Services in Namibia for the period ended 31 December 2019, as required by you in terms of Section 15 of the Pension Funds Act of Namibia, (the Act). Our engagement was undertaken in accordance with the International Standard on Related Services (4400), Engagements to perform agreed-upon procedures regarding financial information. The responsibility for determining the adequacy or otherwise of the procedures agreed to be performed is that of the Registrar of Pension Funds.

## PROCEDURES AND FINDINGS

Our procedures and our corresponding findings thereon are set out in the table below:

	Procedures	Findings
1	On a test basis, we examined the contributions received and ensured that the contributions received were deposited with a registered bank in accordance with Section 13A of the Act.	We report that all contributions were received within the prescribed period, except for the following contributions that were received later than 7 days after month end:  <b>January</b> Katima Mulilo Town Council Leonardville Village Council Opuwo Town Council

	<p><b>January</b>  Otavi Town Council  Outjo Municipality  Rehoboth Town Council  Usakos Town Council</p> <p><b>February</b>  Karasburg Town Council  Katima Mulilo Town Council  Leonardville Village Council  Okahandja Municipality  Opuwo Town Council  Otavi Town Council  Outjo Municipality  Usakos Town Council</p> <p><b>March</b>  Katima Mulilo Town Council  Oniipa Town Council  Opuwo Town Council  Otavi Town Council  Outjo Municipality  Rehoboth Town Council  Tsumeb Municipality  Usakos Town Council</p> <p><b>April</b>  Arandis Town Council  Katima Mulilo Town Council  Opuwo Town Council  Otavi Town Council  Otjinene Village Council  Outjo Municipality  Rehoboth Town Council  Usakos Town Council  Witvlei Village Council</p> <p><b>May</b>  Katima Mulilo Town Council  Khorixas Town Council  Opuwo Town Council  Outjo Municipality  Rehoboth Town Council  Usakos Town Council</p> <p><b>June</b>  Karibib Town Council  Katima Mulilo Town Council  Khorixas Town Council  Leonardville Village Council  Henties Bay Municipality  Okahao Town Council  Opuwo Town Council  Oranjemund Town Council  Oshakati Town Council  Otavi Town Council  Outjo Municipality  Rehoboth Town Council  Tsumeb Municipality  Usakos Town Council</p>
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	<p><b>July</b>  Katima Mulilo Town Council  Luderitz Town Council  Okahao Town Council  Opuwo Town Council  Otjinene Village Council  Outjo Municipality  Usakos Town Council</p> <p><b>August</b>  Katima Mulilo Town Council  Khorixas Town Council  Oniipa Town Council  Outjo Municipality  Tsumeb Municipality  Usakos Town Council</p> <p><b>September</b>  Arandis Town Council  Divundu Village Council  Karasburg Town Council  Katima Mulilo Town Council  Khorixas Town Council  Otjinene Village Council  Outjo Municipality  Usakos Town Council</p> <p><b>October</b>  Karibib Town Council  Katima Mulilo Town Council  Otjinene Village Council  Outjo Municipality  Rehoboth Town Council  Usakos Town Council</p> <p><b>November</b>  Karasburg Town Council  Katima Mulilo Town Council  Khorixas Town Council  Luderitz Town Council  Oniipa Town Council  Opuwo Town Council  Otjinene Village Council  Outapi Town Council  Outjo Municipality  Usakos Town Council</p> <p><b>December</b>  Divundu Village Council  Karasburg Town Council  Karibib Town Council  Katima Mulilo Town Council  Keetmanshoop Municipality  Okahandja Municipality  Oshikuku Town Council  Otjinene Village Council  Outjo Municipality  Rehoboth Town Council  Usakos Town Council</p>
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2	We inspected the accounting records of the fund to ensure that the amounts disclosed as arrear contributions at year end have been paid to the fund in accordance with the requirements of Section 13A of the Act.	We report that arrear contributions at the end of the year were received within the prescribed period, except for the following contributions that were received later than 7 days after year end: Arandis Town Council, Karasburg Town Council, Luderitz Town Council, Henties Bay Municipality, Otjinene Village Council, Outapi Town Council, Outjo Municipality, Rehoboth Town Council, Usakos Town Council, Leonardville Village Council, Otavi Town Council, Keetmanshoop Municipality, Katima Mulilo Town Council, Tsumeb Municipality, Opuwo Town Council, Okahao Town Council, Divundu Village Council, Khorixas Town Council, Karibib Town Council, Okahandja Municipality, Oniipa Village Council, Oranjemund Town Council, Oshakati Town Council and Witvlei Village Council.
3	We inspected the most recent statutory valuation for the period ended 31 December 2018 to determine whether the Fund was underfunded.	We report that in accordance with the statutory valuation for the reporting period ended 31 December 2018 that the Fund is not underfunded.
4	We inspected the list of investments held by the fund for any investments prohibited in terms of Section 19(4) of the Act.	We report that the fund does not have investments in the participating employers.
5	We inspected loans granted to members by the fund to ensure that these loans were granted in terms of Section 19(5) of the Act.	We report that all housing loans guarantees granted to members selected by us were granted in terms of the Act.
6	We inspected the fidelity guarantee to establish that during the year fidelity cover was maintained in compliance with the rules of the fund, as disclosed in the report of the trustees.	We confirm that during the year fidelity cover was maintained in compliance with the rules of the fund, as disclosed in the report of the trustees.

As the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the procedures performed.

Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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



Ernst & Young  
Registered Accountants and Auditors  
Chartered Accountant (Namibia)  
Per: Danica van Wyk  
Partner

Windhoek  
29 June 2020

## SCHEDULE 1A

### ANNEXURE A TO SCHEDULE 1

#### 1. Membership statistics

	Current period	Previous period
(a) Active members	4 729	4 762
(b) Pensioners in receipt of regular payments	1 594	1 502

#### 2. Equities

##### 2.1 Equities with primary listing on NSX

	No. of shares held	Current period	Previous period
		N\$	N\$
Alpha Namibia Industries Renewable Power Limited	156 304	1 563 040	-
Bidvest Namibia Limited	-	-	13 005 377
Capricorn Investment Group Limited	2 897 457	44 186 219	38 308 219
FirstRand Namibia Holdings Limited	2 313 875	77 306 564	88 748 398
Letshego Holdings Namibia	287 601	946 207	1 121 644
Namibia Asset Management Limited	2 600 000	1 430 000	1 664 000
Namibia Breweries Limited	2 276 769	109 899 640	62 644 847
Nimbus Infrastructure Limited	210 187	2 162 824	8 646 187
Oryx Properties Limited	3 209 601	64 962 323	45 577 733
Paratus Namibia Holdings Limited	575 830	5 925 291	-
Standard Bank Holdings Limited	1 808 137	16 634 860	-
Stimulus Investments Limited - Pref Class A	237 920	30 429 968	28 857 316
<b>Total</b>	<b>16 573 681</b>	<b>355 446 936</b>	<b>288 573 721</b>

##### 2.2 Equities with secondary listing on NSX

	No. of shares held	Current period	Previous period
		N\$	N\$
African Oxygen Namibia	100 825	2 168 746	4 990 920
Anglo American Plc Namibia	111 217	44 357 788	63 475 911
Barloworld Limited Namibia	-	-	2 007 236
Clover Industries Limited - Namibia	-	-	1 770 214
FirstRand Limited - Namibia	423 992	26 626 698	41 013 775
Investec Limited Namibia	294 580	24 438 357	31 525 898
Mediclinic International Plc	24 432	1 885 417	1 746 476
Nedbank Group Limited	54 438	11 666 063	27 930 508
Oceana Group Limited Namibia	144 639	8 902 530	-
Old Mutual Plc Namibia	1 530 078	30 081 333	37 185 635
PSG Konsult Limited	201 891	1 917 965	2 602 454

Sanlam Limited Namibia	156 180	12 353 838	11 844 874
Santam Limited Namibia	31 958	9 272 294	3 419 969
Shoprite Holdings Limited Namibia	104 907	13 209 889	15 237 100
Standard Bank Group Limited Namibia	295 342	49 711 965	66 662 497
Truworths International Limited	65 907	3 242 624	5 806 407
Vukile Property Fund Namibia	2 593 070	50 305 558	44 989 630
<b>Total</b>	<b>6 133 456</b>	<b>290 141 065</b>	<b>362 209 504</b>

### 2.3 Foreign listed equities

	No. of shares held	Current period	Previous period
		N\$	N\$
ABSA Group Limited	102 045	15 235 319	18 107 658
Accelerate Property Fund Limited	562 068	983 619	2 619 078
Adcock Ingram Holdings	-	-	3 063 840
Adcorp Holdings Limited	1 026	13 338	26 631
Advtech Limited	134 112	1 448 410	2 108 520
African Phoenix Investment Limited	-	-	23 266
Alexander Forbes Group Holdings	76 554	424 875	
Allied Electronics Corp A	432 758	9 996 710	1 281 582
Anglo American Platinum Limited	8 380	10 955 425	2 059 196
Anglogold Ashanti Limited	24 065	7 616 572	8 214 373
Anheuser-Busch InBev SA/NV	6 453	7 455 086	4 633 587
Arrowhead Properties Limited	146 260	1 469 913	
Aspen Pharmacare Holdings	46 481	5 541 465	2 190 825
Attacq Limited	125 407	1 548 776	3 517 875
BHP Billiton Plc	9 084	2 995 722	15 071 852
Bid Corporation Limited	18 031	5 954 017	8 556 585
Bidvest Group	676	138 425	9 930 248
British American Tobacco	162 726	97 910 336	68 773 957
Capital & Counties Properties	-	-	213 952
Capitec Bank Holdings Limited	4 499	6 506 364	4 695 600
City Lodge Hotels Limited	-	-	253 920
Cartrack Holdings Limited	15 267	369 919	227 656
Compagnie Financiere Richemont	102 849	11 265 051	19 032 490
Curro Holdings Limited	23 726	419 950	696 295
Dipula Income Fund - Class A	222 868	2 228 680	3 882 916
Dis-Chem Pharmacies Pty Limited	73 834	1 956 601	-
Discovery Holdings	-	-	471 061
Distell Group Limited	24 088	3 198 886	2 366 774
Distribution And Warehousing Network	-	-	1 321
ENX Group Limited	-	-	3 334 303
EXTRACT Group Limited	-	-	135 289

Exxaro Resources Limited	63 437	8 319 128	6 304 795
Famous Brands Limited	32 089	2 502 942	2 215 179
Fortress Income Fund Limited	499 002	9 610 779	17 402 449
Glencore Xstrata Plc	799 525	34 683 395	5 956 984
GemGrow Properties Limited	-	-	2 224 956
Gold Fields Limited	10	959	4 867 884
Group Five Limited	-	-	1 022
Hammerson Plc	63 628	3 596 891	5 902 946
Hosken Consolidated Investments	10 584	963 144	1 799 116
Hospitality Property Fund - Class B	34 552	262 941	534 083
Impala Platinum Holdings	311 785	44 747 383	12 844 309
Imperial Holdings Limited	61 569	3 601 787	2 309 756
Intu Properties Plc	104 258	652 655	6 412 756
Investec Property Fund Linked	134 682	1 983 866	3 271 331
Invicta Holdings Limited	8 750	154 963	-
JCI Limited	792 416	-	-
Kap Industrial Holdings Limited	261 957	1 100 219	348 381
Liberty Holdings Limited	-	-	1 319 670
Life Healthcare Group Holdings Limited	584 897	14 417 711	17 038 903
LONG4LIFE Limited	700 088	2 821 355	35 863
Lewis Group Limited	11 588	397 468	-
Massmart Holdings Limited	-	-	5 082 832
Mettle Investments Limited	1 634	2 108	5 449
Multichoice Group Limited	172 654	20 114 191	-
Mondi Plc	327	106 697	11 973 060
MPact Limited	205 597	3 063 395	4 087 622
Mr Price Group Limited	2 970	542 025	10 623 588
Momentum Metropolitan Holdin	58 389	1 275 216	-
Motus Holdings Limited	-	-	771 584
MTN Group Limited	309 555	25 535 192	40 334 266
Murray And Roberts Holdings	672 464	7 168 466	4 383 408
Nampak Limited	240 693	1 643 933	7 054 234
Naspers Limited	60 110	137 699 387	139 048 773
Nedbank Limited	-	-	6 498 502
Network Healthcare Holdings Limited	277 586	5 401 824	13 778 990
Northam Platinum Limited	60 192	7 440 935	8 838 407
Novus Holdings Limited	-	-	1 995 634
Oceana Group Limited	3 061	188 405	-
Omnia Holdings Limited	9 629	324 979	-
Pan African Resources Plc	1 573 368	3 398 475	393 235
Pepkor Holdings Limited	475 251	8 587 786	9 668 120

Peregrine Holdings Limited	-	-	1 052 453
Pick N Pay Stores Limited	128 216	8 191 720	14 178 568
Pioneer Food Group	-	-	2 668 748
PPC Limited	755 218	1 888 045	4 358 436
PSG Konsult Limited	3 068	718 403	412 733
Prosus N.V	32 685	34 449 990	-
Quilter Plc	555 156	16 266 071	16 459 465
Rand Merchant Investment Holdings Limited	8 744	269 665	3 504 653
RCL Foods Limited	-	-	4 016 502
Rebosis Property Fund Limited	120 069	468 269	3 946 927
Redefine Income Fund	581 685	4 397 539	6 734 140
Reinet Investments SA	42 842	11 888 655	13 706 864
Royal Bafokeng Platinum Limited	15 412	764 743	-
RMB Holdings Limited	5 839	469 689	-
Remgro Limited	158 284	30 865 380	29 495 320
Rhodes Food Group (Pty) Limited	47 698	711 177	878 539
Sibanye Gold Limited	408 577	14 663 829	-
Sanlam Limited	-	-	2 215 168
Sappi Limited	170 161	7 430 931	10 395 025
Sasol Limited	186 603	56 630 278	97 472 900
South32 Limited	-	-	8 550 992
Spar Group	43 792	8 649 358	3 504 675
Spur Corporation Limited	6 393	170 373	89 914
Stadio Holdings Pty Limited	29 925	59 850	148 978
Steinhoff International H NV	137 322	115 350	236 194
Sun International Limited	93 687	3 738 111	6 752 781
Super Group Limited	174 564	4 964 600	10 748 153
Sygnia Limited	3 888	38 802	37 069
The Foschini Group	18 528	2 769 751	7 347 309
Tiger Brands Limited	10 550	2 222 991	1 846 920
Textainer Group Holdings Limited	19 064	2 652 184	-
Tradehold Limited	3 839	45 953	51 185
Trencor Limited	136 273	1 240 084	3 984 181
Tsogo Sun Hotels Limited	801 339	3 141 249	-
Vodacom Group Limited	-	-	2 106 852
Wilson Bayly Holmes-Ovcon	55 616	7 681 126	2 718 120
Woolworths Holdings Limited	384 779	18 700 259	4 258 953
Zambezi Platinum Rf Limited	82 257	6 950 714	-
Zeder Investments Limited	142 271	677 210	750 477
<b>Total</b>	<b>16 285 898</b>	<b>801 836 408</b>	<b>805 447 931</b>

## 2.4 Equity Index linked instruments

## (a) Namibia

	No. of shares held	Current period	Previous period
		N\$	N\$
New Gold Palladium ETF	128 519	33 854 475	32 695 425
New Gold Platinum ETF	281 234	37 204 446	23 920 166
New Gold Issuer Limited	99 536	20 009 722	2 790 719
<b>Total</b>	<b>509 289</b>	<b>91 068 643</b>	<b>59 406 310</b>

## (b) Common Monetary Area

	No. of shares held	Current period	Previous period
		N\$	N\$
Africa Palladium Debentures	-	-	23 727 051
Invest Palladium ETF	18 287	4 815 516	-
<b>Total</b>	<b>18 287</b>	<b>4 815 516</b>	<b>23 727 051</b>

## (c) Offshore

	No. of shares held	Current period	Previous period
		N\$	N\$
Amundi ETF MSCI Emerging Markets UCITS	4 148 604	11 129 557	8 791 857
I-Shares FTSE MIB ETF	-	-	2 452 623
I-Shares Core DAX ETF	72 483	4 937 873	5 443 002
I-Shares MSCI Korea ETF	499 649	11 713 115	9 730 095
I-Shares Core MSCI World UCITS ETF USD Acc	13 638	459 561	25 990 314
I-Shares Core MSCI World UCITS ETF	75 190	2 536 499	-
I-Shares Core S&P 500 UCITS ETF USD Acc	2 131	364 910	50 943 850
I-Shares Core S&P 500 UCITS ETF	-	-	2 793 916
I-Shares Global Corp Bond UCITS ETF USD	184 804	10 069 688	-
I-Shares MSCI Turkey UCITS ETF GBP	346 608	3 140 930	2 888 081
Lyxor Stoxx Europe 600 Basic Resources ETF	193 572	6 928 523	5 792 045
Lyxor China Enterprise HSCEI UCITS ETF	76 076	6 904 437	6 092 821
MSCI Indonesia TRN Index UCITS ETF	403 008	3 507 882	3 679 450
SPDR MSCI World Financials UCITS ETF	261 396	6 177 540	5 272 881
I-Shares MSCI Russia ADR/GDR UCITS ETF	-	-	5 788 044
I-Shares FTSE MIB UCITS ETF EUR	48 994	2 662 041	410 608
Xtrackers Nikkei 225 UCITS ETF	30 160	361 366	1 446 916
Xtrackers S&P 500 Swap UCITS ETF	1 946 549	61 940 327	-
<b>Total</b>	<b>8 302 862</b>	<b>132 834 249</b>	<b>137 516 503</b>

## 3. Collective investment schemes

## (a) Namibia

	Current period N\$	Previous period N\$
Prudential Namibia Money Market-B Class	200 789 242	126 693 527
Capricorn Investment Fund	42 512 909	24 905 932
Capricorn Enhanced Cash Fund (Class C)	458 995	-
IFM Namibia High Inc R	8 873 912	8 164 387
<b>Total</b>	<b>252 635 058</b>	<b>159 763 846</b>

## (b) Common Monetary Area

	Current period N\$	Previous period N\$
None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## (c) Offshore

	Current period N\$	Previous period N\$
<b>Equity collective investment schemes</b>		
Allan Gray Africa ex-SA Equity Fund	13 394 086	15 113 544
Allan Gray Africa ex-SA Bond Fund	14 622 819	13 305 617
Eastspring Investments US Inv Grade Bond Fund	7 808 305	7 571 683
Coronation Global Equity FOF - Class Z	235 141 875	177 664 821
Coronation African Frontier Fund - Class Z	22 164 659	23 416 935
Coronation World Opportunity Fund – Class Z	6 154 977	7 212 305
Coronation Global Emerging Market Fund – Class Z	38 121 432	30 379 601
Greencoat UK Wind PLC/Funds	1 653 332	1 577 778
Investec Global Balanced (SA), R, Acc	180 357 185	224 510 122
Investec Global Strategic Equity, A, Acc, USD	79 008 465	-
M&G Global Enhanced Equity Premia Fund	27 357 539	-
M&G Japan Fund Sterling A	19 672 017	17 398 155
M&G North American Value Fund Class X	19 479 092	26 360 787
M&G Recovery Fund Sterling Class X Accum	5 750 993	5 521 394
M&G European Smaller Companies Fund - USD	11 453 103	9 372 338
M&G Lux European Strategic Value Fund	16 489 397	14 303 361
M&G Global Emerging Markets Fund	14 367 759	19 305 786
M&G Lux Emerging Mkts Hard Currency Bond Fund	6 586 521	6 610 885
M&G Lux Global Maxima Fund	13 527 488	-
M&G Global Select Fund	26 068 407	21 714 859
Orbis Global Equity Fund	94 036 014	174 203 946
Orbis SICAV Emerging Markets Equity Fund, Investor	27 356 731	48 196 424



Orbis SICAV Japan Equity (Yen) Fund	10 428 879	9 334 815
Orbis Optimal (US\$) Fund	8 124 641	96 628 174
Orbis Optimal (Euro) Fund	5 753 285	45 412 472
Orbis SICAV Global Balanced Fund, Core RRF Share	269 743 346	-
<b>Total</b>	<b>1 174 622 347</b>	<b>995 115 802</b>

#### 4. Debt instruments

	Current period N\$	Previous period N\$
<b>Government and local authorities (Namibia)</b>		
Namibian Government TNT 15 Apr 2020 8.25%	5 196 900	22 652 369
Namibian Government TNT 29 Jun 2020 9.595%	-	838 368
Namibian Government TNT 15 Oct 2021 7.75%	33 449 527	33 471 887
Namibian Government TNT 15 Jan 2022 8.75%	29 910 066	31 496 627
Namibian Government TNT 19 Nov 2022 8.26%	4 932 911	292 456
Namibian Government TNT 2023 8.85%	4 136 000	4 038 800
Namibian Government TNT 15 Oct 2024 10.5%	22 071 932	40 025 520
Namibian Government TNT 15 Apr 2025 8.5%	26 984 825	25 219 711
Namibian Government TNT 15 Jan 2027 8%	32 067 433	40 816 835
Namibian Government TNT 15 Jan 2030 8%	33 246 704	28 278 963
Namibian Government TNT 15 Apr 2032 9%	32 771 105	22 350 622
Namibian Government TNT 15 Jul 2035 9.5%	20 980 251	17 448 570
Namibian Government TNT 15 Jul 2037 9.5%	17 413 821	21 650 943
Namibian Government TNT 15 Oct 2040 9.8%	19 243 951	25 010 350
Namibian Government TNT 15 Jul 2043 10%	9 243 190	-
Namibian Government TNT 15 Jul 2045 9.85%	11 220 392	7 538 430
Namibia Government TNT 10.25% 2050	2 398 480	-
Namibian Government Bonds - NCP ILB 15 Oct 2022	36 045 367	27 720 404
Namibian Government Bonds - NCP ILB 15 Jul 2025	10 670 087	2 671 946
Namibian Government Bonds - Ncp ILB 15 Jan 2029	10 585 763	3 385 651
Namibian Government Bonds - Ncp ILB 15 Apr 2033	450 355	435 076
Namibia Government Bonds - NCP ILB 15 Jul 2036	1 259 619	-
Namibia Government Bonds 29 Jun 2020 9.595%	828 933	-
Namibian Government Bond 10.51% 010826	4 048 927	-
Namibian Government Treasury Bill 04 Oct 2019	-	6 584 900
Namibian Government Treasury Bill 04 Sep 2020	1 900 000	-
Namibian Government Treasury Bill 18 Sep 2020	5 682 600	-
<b>Corporate (Namibia)</b>		
Bank Windhoek Ltd MTN 21 Nov 2022 9.98%	1 561 777	1 532 849

Bank Windhoek 9.5% 2022	1 473 220	-
Bank Windhoek 8.86% 2019	-	2 187 360
Bank Windhoek Ltd 18 September 2020 1.8%	2 106 371	2 106 770
Bank Windhoek Nov 11, 2019 JIBAR 3-Month 2.05%	-	1 625 698
Bank Windhoek Nov 10, 2021 JIBAR 3-Month 2.3%	1 620 879	1 621 168
Bank Windhoek Floating Bond 2022	1 414 560	-
Bank Windhoek Ltd MTN 29 Sep 2023 8.72%	869 746	-
First National Bank Namibia 10.08% 2019	-	2 264 460
First National Bank Namibia 10.50% 2021	4 939 015	4 933 732
First National Bank Namibia 29 March 2027 2.5%	750 370	750 181
First National Bank Namibia MTN 29 March 2027	1 909 859	1 898 948
IFC NAM Bond 05/04/21	17 645 779	17 756 833
Oryx Properties Ltd 20 Nov 2018 1.7%	909 205	2 019 506
Standard bank Floating Bond 8.65% 25 Oct 2020	10 360 668	10 364 209
Standard Bank Namibia 24 May 2021 +2.05%	11 084 866	11 207 880
Standard Bank Namibia 13 Jul 2021 JIBANAD1.6%	2 748 797	2 749 495
Development Bank Of Namibia 04 September 2020 1.9%	6 648 714	6 650 418
Namibia Power Corporation (Pty) Ltd 10 November 2019 10%	-	11 372 469
Namibia Power Corporation (Pty) Ltd TNT 24 July 2020 9.35%	5 934 798	6 063 276
Namibia Water Corp MTN 24 April 2020 9.05%	3 978 266	3 989 826
Namibia Water Corp MTN 25 April 2022 9.57%	1 746 813	1 712 088
<b>Total</b>	<b>454 442 842</b>	<b>454 735 594</b>

Current period N\$	Previous period N\$
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#### Government and local authorities (Common Monetary Area)

Ekurhuleni Municipality 10.56% 28 July 2020	795 402	808 432
Ekurhuleni Municipality EMM02 10.72% 11 March 2021	2 133 137	2 160 872
South Africa R2044 8.75% Jan 31, 44	3 197 037	8 293 508

#### Corporate (Common Monetary Area)

African Bank Limited FRN J3+7.25% 05 April 2021	1 151 530	1 107 972
African Bank Limited Residual Debt Services	3	3
Nedbank Limited REC 6.588% 240521	(602)	-
<b>Total</b>	<b>7 276 507</b>	<b>12 370 787</b>

#### Government and local authorities (Offshore)

Mexican Government Bond 5.00% 18 November 2038	5 243 735	7 785 997
Turkey Government Bond 6.125% 241028	3 148 008	3 320 787
<b>Total</b>	<b>8 391 743</b>	<b>11 106 784</b>

## 5. Insurance Policies

### Non Linked Policies

Old Mutual Midina Fund	119 672 718	110 567 507
Old Mutual Absolute Smooth Growth Portfolio	496 986 373	529 430 508
Sanlam Life Namibia Limited	120 668 337	31 858 371
<b>Total</b>	<b>737 327 428</b>	<b>671 856 386</b>

## 6. Cash and deposits

	Current period N\$	Previous period N\$
<b>Deposits (Namibia)</b>		
Bank Windhoek NCD 02 Jul 2019	-	6 264 000
Bank Windhoek NCD 20 Sep 2019	-	12 272 400
Bank Windhoek NCD 01 Jul 20	13 564 200	
First National Bank Namibia 03 Apr 2019 8.2%	-	21 245 070
First National Bank Namibia 06 Sep 2019 8.05%	-	17 012 536
First National Bank Namibia 08 Mar 2019 8.12%	-	18 215 911
First National Bank Namibia 15 Nov 2019 8.25%	-	4 031 745
First National Bank Namibia 19 Jul 2019 8.18%	-	3 424 015
First National Bank Namibia NCD 01 Feb 2019	-	5 390 500
First National Bank Namibia NCD 04 Oct 2019	-	2 036 400
First National Bank Namibia NCD 09 Jan 2019	-	1 083 700
First National Bank Namibia NCD 11 Jul 2019	-	1 040 000
First National Bank Namibia NCD 20 Sep 2019	-	13 283 400
First National Bank Namibia NCD 28 Aug 2019	-	1 027 800
First National Bank Namibia 7.55% 10 Sep 20	21 486 510	-
First National Bank Namibia 8.2% 02 Apr 20	16 981 304	-
First National Bank Namibia 8.40% 20 Feb 20	7 406 158	-
First National Bank Namibia 8.42% 23 Jan 20	5 180 263	-
First National Bank Namibia 8.45% 10 Mar 20	15 921 038	-
First National Bank Namibia 8.5% 05 Mar 20	15 837 419	-
First National Bank Namibia NCD 09 Jan 20	4 328 000	-
First National Bank Namibia NCD 11 Feb 20	3 229 500	-
First National Bank Namibia NCD 11 Mar 20	5 352 000	-
First National Bank Namibia NCD 14 Feb 20	6 455 400	-
First National Bank Namibia NCD 18 Aug 20	1 029 400	-
First National Bank Namibia NCD 20 Feb 20	4 299 600	-
First National Bank Namibia NCD 22 Oct 20	17 244 800	-
First National Bank Namibia NCD 28 Aug 20	5 136 500	-

Nedbank Limited Namibia 03 Apr 2019 8.3%	-	12 971 473
Nedbank Limited Namibia 06 Mar 2019 8.4%	-	15 199 130
Nedbank Limited Namibia 06 Sep 2019 8.00%	-	16 993 738
Nedbank Limited Namibia 08 Mar 2019 8.1%	-	18 319 297
Nedbank Limited Namibia 15 Nov 2019 8.35%	-	23 017 881
Nedbank Limited Namibia 18 Jul 2019 8.05%	-	3 730 675
Nedbank Limited Namibia 7.55% 10 Sep 20	19 235 542	-
Nedbank Limited Namibia 7.55% 17 Jul 20	5 275 119	-
Nedbank Limited Namibia 7.9% 09 Jun 20	11 485 688	-
Nedbank Limited Namibia 8.2% 02 Apr 20	16 981 304	-
Nedbank Limited Namibia 8.4% 09 Mar 20	15 914 996	-
Nedbank Limited Namibia NCD 30 Jul 2020	6 204 000	-
Standard Bank Namibia 03 April 2019 8.35%	-	12 977 462
Standard Bank Namibia 06 Mar 2019 8.45%	-	214 162
Standard Bank Namibia 06 Sep 2019 8.10%	-	17 115 763
Standard Bank Namibia 07 Jun 2019 8.2%	-	21 567 728
Standard Bank Namibia 17 May 2019 8.2%	-	11 677 051
Standard Bank Namibia 18 Jul 2019 8.18%	-	3 424 451
Standard Bank Namibia NCD 28 Jun 2019	-	9 387 000
Standard Bank Namibia 7.55% 20 Jul 20	5 275 119	-
Standard Bank Namibia 7.6% 11 Sep 20	22 513 052	-
Standard Bank Namibia 8% 11 Jun 20	16 540 930	-
Standard Bank Namibia 8.2% 21 May 20	6 513 397	-
Standard Bank Namibia 8.25% 03 Apr 20	16 987 288	-
Standard Bank Namibia 8.4% 11 Mar 20	15 914 996	-
Standard Bank Namibia 8.45% 06 Mar 20	17 114 937	-
Standard Bank Namibia NCD 05 Mar 2020	22 501 500	-
Standard Bank Namibia NCD 12 Jun 2020	6 273 600	-
Standard Bank Namibia NCD 25 Sep 2020	6 121 200	-

#### Money on Call (Namibia)

Bank Windhoek NAD Call Account	56 016 258	62 511
Bank Windhoek ZAR Call Account	-	3 108 745
Cash (Namibia dollar)	14 120 090	36 531 825
First National Bank Namibia NAD Call Account	14 405 618	7 926
First National Bank ZAR Call Account	-	3 414 673
Nedbank Limited Namibia NAD Call Account	16 560 287	-
Nedbank ZAR Call Account	-	1 604 624
Nedbank Limited Namibia IRS 24 May 2021 7.65%	-	53 385
Standard Bank Namibia NAD Call account	84 283 476	75 301 952
Standard Bank Namibia Settlement Account	4 097 226	2 844 920

Standard Bank Namibia ZAR Settlement Account	(6 254 070)	(5 912 924)
Standard Bank Namibia ZAR Call Account	-	24 037 479
<b>Total</b>	<b>537 533 645</b>	<b>413 978 404</b>

**Money on Call (Common Monetary Area)**

Cash (South African rand)	(38 377)	(5 327 173)
Futures Settlement	11 383 489	4 639 373
Initial Margin - Safex	32 269 130	20 014 823
Interest Accruals	1 862 553	859 639
Accrued Expenses	(429 643)	-
<b>Total</b>	<b>45 047 152</b>	<b>20 186 662</b>

**Money on Call (Offshore)**

Cash (Mexican Peso)	-	0.02
Cash (UK pound)	(6 729 395)	(5 835 020)
Cash (US Dollar)	12 668 196	3 134 188
Cash (Turkish Lira)	1 609 461	1 577 484
<b>Total</b>	<b>7 548 262</b>	<b>(1 123 348)</b>

<b>Total Cash and Deposits</b>	<b>590 129 059</b>	<b>433 041 718</b>
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**7. Cash at bank****At amortised cost  
Bank**

Bank Windhoek Namibia	18 482 508	26 823 664
<b>Total</b>	<b>18 482 508</b>	<b>26 823 664</b>

**8. Derivatives****Derivatives (Namibia)**

None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Derivatives (Common Monetary Area)**

None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Derivatives (Offshore)**

S&P 500 US 170120 P2750	2 382	-
S&P 500 US 170120 P2875	4 623	-
S&P 500 US 200320 P2750	30 036	-
S&P 500 US 200320 P2875	52 114	-
<b>Total</b>	<b>89 155</b>	<b>-</b>

<b>Total Cash and Deposits</b>	<b>89 155</b>	
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**9. Private equity funds**

	Current period N\$	Previous period N\$
Allegrow Fund (Proprietary) Limited	12 626 411	8 524 551
Caliber Capital Capital Fund	17 298 079	15 812 408
IJG Frontier Investment Fund Limited	8 969 823	13 604 632
<b>Total</b>	<b>38 894 313</b>	<b>37 941 591</b>

**SCHEDULE 1B**

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### Independent Auditor's Report on assets held in compliance with regulation 13 of the Pension Funds Act of Namibia to the Board of Trustees

**OPINION**

We have audited the Schedule of Assets held in compliance with Regulation 13 published under GN 211/2018 (GG 6697) of The Retirement Fund for Local Authorities and Utility Services in Namibia ("the Fund") at 31 December 2019 (the "Schedule") for compliance with the requirements of Regulation 13 of the Pension Funds Act of Namibia (the Regulation), as set out on pages 55 to 63. Our engagement arises from our appointment as auditor of the Fund and is for the purpose of assisting the Board of Trustees to report to the Registrar of Pension Funds (the "Registrar").

In our opinion, the Schedule of Assets held in compliance with Regulation 13 at 31 December 2019 by The Retirement Fund for Local Authorities and Utility Services In Namibia is prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in Namibia and in compliance with the Regulation.

## BASIS FOR OPINION

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Schedule section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for the Accountants Code of Ethics for the professional Accountants (including International Ethics Standards) and other independence requirements applicable to the performance with the ethical requirements in Namibia. We have fulfilled our other ethics responsibilities in accordance with the requirements applicable to the performing audits in Namibia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## EMPHASIS OF MATTER – BASIS OF PREPARATION AND RESTRICTION ON USE

We draw attention to the compliance requirements of the Regulation and the purpose of our report as indicated in the opinion paragraph. Consequently, the Schedule and our auditor's report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

## OTHER MATTERS

As mentioned under the basis of Opinion paragraph, we conducted our audit in accordance with the International Standards on the Auditing (ISAs) and issued our report in accordance with these ISAs. We draw attention to the fact that did not use the audit report template as prescribed by the Registrar in the Pension Funds Regulations: Pension Funds Act, 1956 as this is not in accordance with ISAs.

## OTHER INFORMATION

The Board of Trustees is responsible for the other information. The other information comprises the following schedules as required by the Pension Funds Act:

- Regulatory information
- Statement of responsibility by the Board of Trustees
- Statement of responsibility by the Principal Officer
- Independent auditor's report
- Report of the Board of Trustees
- Statement of net assets and funds
- Statement of changes in net assets and funds
- Schedule I – Independent auditor's report to the Board of Trustees and the Registrar of Pension Funds in terms of Section 15
- Schedule IA – Annexure A to Schedule
- Other information does not include the schedule or our auditor's report thereon.

Our opinion on the schedule does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. We have issued a separate opinion on the financial statements of the fund in which our opinion on the fund is reflected.

In connection with our audit of the schedule, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE BOARD OF TRUSTEES FOR THE SCHEDULE

The Board of Trustees is responsible for the preparation of the Schedule in compliance with the Regulatory and for such internal control as the Board of Trustees determines is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE SCHEDULE

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 the Schedule.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Schedule, 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 our 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young  
Registered Accountants and Auditors  
Chartered Accountant (Namibia)  
Per: Danica van Wyk  
Partner

Windhoek  
29 June 2020



## SCHEDULE 1C

### ASSETS HELD IN COMPLIANCE WITH REGULATION 13

	Current period N\$
<b>A. Total assets of the fund as per statement of net assets and funds</b>	5 003 888 465
<b>B. Less: Items per statement of net assets and funds:</b>	
Property, plant and equipment	13 357 387
Housing loans	-
Current assets (excluding cash at bank)	32 097 301
	<b>4 958 433 777</b>
<b>C. Less: Value of insurance policies held by and included in total assets to be excluded in terms of sub regulation 9 and 11 of Regulation 13</b>	
Insurance policies	737 327 428
<b>Value of corresponding assets as per statement of net assets and funds</b>	<b>4 221 106 349</b>

Kind of Asset	Definition of Asset	Maximum percentage of aggregate market value of total assets	Fair value	Fair value %
<b>1. Credit Balances</b>	Deposits with and balances in current and savings accounts with a banking institution or a building society, including negotiable deposits and money market instruments in terms of which such a bank or building society is liable, including the paid-up shares of a building society, or deposits and savings accounts with the Post Office Savings Bank:	95%	<b>651 672 626</b>	15.44%
	<b>(a) Per banking institution</b>			
	<b>Bank Windhoek</b>	20%	<b>131 034 870</b>	3.10%
	Bank Windhoek NAD Call Account		56 016 258	
	Bank Windhoek NCD 01 Jul 20		13 564 200	
	Bank Account 1: Bank Windhoek		11 960 796	
	Bank Account 3: Bank Windhoek		6 521 712	
	Capricorn Investment Fund		42 512 909	
	Capricorn Enhanced Cash Fund (Class C)		458 995	
	<b>First National Bank</b>	20%	<b>144 293 510</b>	3.42%
	First National Bank Namibia NAD Call Account First		14 405 618	
	National Bank Namibia 7.55% 10 Sep 20		21 486 510	
	First National Bank Namibia 8.2% 02 Apr 20		16 981 304	
	First National Bank Namibia 8.40% 20 Feb 20		7 406 158	
	First National Bank Namibia 8.42% 23 Jan 20		5 180 263	
	First National Bank Namibia 8.45% 10 Mar 20		15 921 038	
	First National Bank Namibia 8.5% 05 Mar 20		15 837 419	
	First National Bank Namibia NCD 09 Jan 20		4 328 000	
	First National Bank Namibia NCD 11 Feb 20		3 229 500	
	First National Bank Namibia NCD 11 Mar 20		5 352 000	

	First National Bank Namibia NCD 14 Feb 20		6 455 400	
	First National Bank Namibia NCD 18 Aug 20		1 029 400	
	First National Bank Namibia NCD 20 Feb 20		4 299 600	
	First National Bank Namibia NCD 22 Oct 20		17 244 800	
	First National Bank Namibia NCD 28 Aug 20		5 136 500	
	<b>Standard Bank</b>	20%	<b>217 882 651</b>	5.16%
	Standard Bank Namibia NAD Call Account		84 283 476	
	Standard Bank Namibia 7.55% 20 Jul 20		5 275 119	
	Standard Bank Namibia 7.6% 11 Sep 20		22 513 052	
	Standard Bank Namibia 8% 11 Jun 20		16 540 930	
	Standard Bank Namibia 8.2% 21 May 20		6 513 397	
	Standard Bank Namibia 8.25% 03 Apr 20		16 987 288	
	Standard Bank Namibia 8.4% 11 Mar 20		15 914 996	
	Standard Bank Namibia 8.45% 06 Mar 20		17 114 937	
	Standard Bank Namibia NAD Settlement Account		4 097 226	
	Standard Bank Namibia NCD 05 Mar 2020		22 501 500	
	Standard Bank Namibia NCD 12 Jun 2020		6 273 600	
	Standard Bank Namibia NCD 25 Sep 2020		6 121 200	
	Standard Bank Namibia ZAR Settlement Account		(6 254 070)	
	<b>Nedbank Namibia</b>	20%	<b>91 656 936</b>	2.17%
	Nedbank Limited Namibia 7.55% 10 Sep 20		19 235 542	
	Nedbank Limited Namibia 7.55% 17 Jul 20		5 275 119	
	Nedbank Limited Namibia 7.9% 09 Jun 20		11 485 688	
	Nedbank Limited Namibia 8.2% 02 Apr 20		16 981 304	
	Nedbank Limited Namibia 8.4% 09 Mar 20		15 914 996	
	Nedbank Limited Namibia NAD Call Account		16 560 287	
	Nedbank Limited Namibia NCD 30 Jul 2020		6 204 000	
	<b>Cash</b>	20%	<b>66 804 659</b>	1.58%
	Accrued Expenses		(429 643)	
	Cash (Namibian dollar)		14 120 090	
	Cash (South Africa rand)		( 38 377)	
	Cash (UK pound)		(6 729 395)	
	Cash (US dollar)		12 668 196	
	Futures Settlement		11 383 489	
	Interest Accruals		1 862 553	
	Safex ZAR Initial Margin Account		32 269 130	
	Cash (Turkish Lira)		1 609 461	
	S&P 500 US 170120 P2750 (PUT Options)		2 382	
	S&P 500 US 170120 P2875 (PUT Options)		4 623	
	S&P 500 US 200320 P2750 (PUT Options)		30 036	
	S&P 500 US 200320 P2875 (PUT Options)		52 114	
	(b) Per building society	20%	-	0.00%
	(c) Per Post Office Savings Bank	20%	-	0.00%
<b>2. Government Bonds</b>	Bills, bonds and securities issued or guaranteed by or loans to or guaranteed by the Government of the Republic of Namibia:	95%	<b>376 739 139</b>	8.93%
	Namibian Government TNT 15 Apr 2020 8.25%		5 196 900	
	Namibian Government TNT 15 Oct 2021 7.75%		33 449 527	
	Namibian Government TNT 15 Jan 2022 8.75%		29 910 066	
	Namibian Government TNT 19 Nov 2022 8.26%		4 932 911	

	Namibian Government TNT 2023 8.85%		4 136 000	
	Namibian Government TNT 15 Oct 2024 10.5%		22 071 932	
	Namibian Government TNT 15 Apr 2025 8.5%		26 984 825	
	Namibian Government TNT 15 Jan 2027 8%		32 067 433	
	Namibian Government TNT 15 Jan 2030 8%		33 246 704	
	Namibian Government TNT 15 Apr 2032 9%		32 771 105	
	Namibian Government TNT 15 Jul 2035 9.5%		20 980 251	
	Namibian Government TNT 15 Jul 2037 9.5%		17 413 821	
	Namibian Government TNT 15 Oct 2040 9.8%		19 243 951	
	Namibian Government TNT 15 Jul 2043 10%		9 243 190	
	Namibian Government TNT 15 Jul 2045 9.85%		11 220 392	
	Namibia Government TNT 10.25% 2050		2 398 480	
	Namibia Government Bonds - Ncp ILB 15 Oct 2022 3.55%		36 045 367	
	Namibia Government Bonds - Ncp ILB 15 Jul 2025 3.8%		10 670 087	
	Namibia Government Bonds - Ncp ILB 15 Jan 2029 4.5%		10 585 763	
	Namibia Government Bonds - Ncp ILB 15 Apr 2033 4.5%		450 355	
	Namibia Government Bonds - Ncp ILB 15 Jul 2036 4.8%		1 259 619	
	Namibia Government Bonds 29 Jun 2020 9.595%		828 933	
	Namibian Government Bond 10.51% 01 Aug 2026		4 048 927	
	Namibian Government Treasury Bill 04 Sep 2020		1 900 000	
	Namibian Government Treasury Bill 18 Sep 2020		5 682 600	
<b>3. Statutory body, public enterprise, local authority and regional council Bonds</b>	<b>Bills, bonds and securities issued or guaranteed by or loans to or guaranteed by any statutory body, public enterprise, local authority or regional council in the Republic of Namibia:</b>	30%	<b>18 308 591</b>	<b>0.43%</b>
	<b>(a) Per local authority</b>	20%	-	0.00%
	<b>(b) Per regional council</b>	20%	-	0.00%
	<b>(c) Per statutory body or public enterprise</b>			
	<b>Namibia Power Corporation (Pty) Ltd</b>	20%	<b>5 934 798</b>	<b>0.14%</b>
	Namibia Power Corp (Pty) Ltd TNT 24 Jul 2020 9.35%		5 934 798	
	<b>Namibia Water Corporation (Pty) Ltd</b>	20%	<b>5 725 079</b>	<b>0.14%</b>
	Namibia Water Corp MTN 24 Apr 2020 9.05%		3 978 266	
	Namibia Water Corp MTN 25 Apr 2022 9.57%		1 746 813	
	<b>Development Bank Of Namibia 04 Sep 2020</b>	20%	<b>6 648 714</b>	<b>0.16%</b>
<b>4. Corporate Bonds</b>	<b>Bills, bonds or securities issued by or loans to an institution in Namibia:</b>	50%	<b>59 395 112</b>	<b>1.41%</b>
	<b>Per institution:</b>			
	<b>Bank Windhoek</b>	20%	<b>9 046 553</b>	<b>0.21%</b>
	Bank Windhoek Ltd 18 Sep 2020 1.8%		2 106 371	
	Bank Windhoek Nov 10, 2021 JIBAR 3-Month 2.3%		1 620 879	
	Bank Windhoek Ltd MTN 21 Nov 2022 9.98%		1 561 777	
	Bank Windhoek 9.5% 2022		1 473 220	
	Bank Windhoek Floating Bond 2022		1 414 560	
	Bank Windhoek Ltd MTN 29 Sep 2023 8.72%		869 746	

	<b>First National Bank</b> First National Bank Namibia 01 Nov 2021 10.5% First National Bank Namibia 29 Mar 2027 2.5% First National Bank Namibia MTN 29 Mar 2027 10.36%	20%	<b>7 599 244</b> 4 939 015 750 370 1 909 859	0.18%
	<b>Standard Bank</b> Standard bank Floating Bond 8.65% 25 Oct 2020 Standard Bank Namibia SBKNAM 24 May 2021 9.1750% Standard Bank Namibia 13 Jul 2021 JIBANAD1.6%	20%	<b>24 194 331</b> 10 360 668 11 084 866 2 748 797	0.57%
	<b>Oryx Properties Ltd 20 Nov 2019 JIBANAD1.7%</b>	20%	909 205	0.02%
	<b>International Finance Corp MTN 05 Apr 2021 9.812%</b>	20%	17 645 779	0.42%
<b>5. Foreign Bonds</b>	<b>Bills, bonds or securities issued by the government of or any other institution in a country other than Namibia:</b>	50%	<b>254 349 049</b>	6.03%
	<b>(a) Per Government</b>		<b>5 243 735</b>	0.12%
	Mexico Government Bond 5.00% 18 November 2038	40%	5 243 735	
	<b>South Africa</b>		<b>3 197 037</b>	0.08%
	South Africa R2044 8.75% Jan 31, 44	40%	3 197 037	
	<b>Turkey</b>		<b>3 148 008</b>	0.07%
	Turkey Government Bond 6.125% 24 Oct 2028	40%	3 148 008	
	<b>(b) Per institution</b>		<b>2 928 539</b>	0.07%
	<b>Ekurhuleni Municipality</b>	10%	795 402	
	Ekurhuleni Municipality 10.56% 28 July 2020		2 133 137	
	Ekurhuleni Municipality EMM02 10.72% 11 March 2021			
	<b>African Bank Limited</b>	10%	<b>1 151 533</b>	0.03%
	African Bank Limited FRN J3+7.25% 05 April 2021		1 151 530	
	African Bank Limited Residual Debt Services		3	
	<b>Nedbank Limited</b>	10%	<b>(602)</b>	0.00%
	Nedbank Limited IRS 7.65 24 May 2021		(602)	
	<b>(c) Collective Investment Schemes</b>	10%	<b>238 680 799</b>	5.65%
	Allan Gray Africa ex-SA Bond Fund		14 622 819	
	Eastspring Investments US Inv Grade Bond Fund		7 808 305	
	IFM Namibia High Inc R		8 873 912	
	M&G Lux Emerging Mkts Hard Currency Bond Fund		6 586 521	
	Prudential Namibia Money Market-B Class		200 789 242	
<b>6. Property</b>	<b>Immovable property, and share in, loans to and debentures, both convertible and non-convertible, of property companies:</b>	25%	<b>142 471 809</b>	3.38%
	<b>(a) Per single property</b>		<b>64 962 323</b>	1.54%
	Oryx Properties Limited	5%	50 305 558	1.19%
	Vukile Property Fund Limited Namibia	5%	9 610 779	0.23%
	Fortress Income Fund Limited	5%	4 397 539	0.10%
	Redefine Properties Limited	5%	3 596 891	0.09%
	Hammerson Plc	5%	2 228 680	0.05%
	Dipula Income Fund - Class A	5%	1 983 866	0.05%
	Investec Property Fund Linked	5%	1 548 776	0.04%
	Attacq Limited	5%	1 469 913	0.03%
	Arrowhead Properties Limited	5%		

	Accelerate Property Fund Limited	5%	983 619	0.02%
	Intu Properties Plc	5%	652 655	0.02%
	Rebosis Property Fund Limited-A	5%	468 269	0.01%
	Hospitality Property Fund Limited	5%	262 941	0.01%
<b>7. Shares</b>	<b>Preference and ordinary shares in companies (excluding shares in property companies), convertible debentures, whether voluntarily or compulsorily convertible (but excluding such debentures of property companies): Provided that -</b>	<b>75%</b>	<b>2 679 275 710</b>	<b>63.47%</b>
	<b>(a) shares and convertible debentures in a single company or related party listed on any stock exchange within the common monetary area -</b>			
	<b>(i) with a market capitalisation of N\$5 000 million or less are limited to</b>			
	Zambezi Platinum Rf Limited	5%	6 950 714	0.16%
	1invest Palladium ETF	5%	4 815 516	0.11%
	Pan African Resources Plc	5%	3 398 475	0.08%
	Tsogo Sun Hotels Limited	5%	3 141 249	0.07%
	Mpact Limited	5%	3 063 395	0.07%
	Long4Life Limited	5%	2 821 355	0.07%
	Textainer Group Holdings Limited	5%	2 652 184	0.06%
	Trencor Limited	5%	1 240 084	0.03%
	Rhodes Food Group (Pty) Limited	5%	711 177	0.02%
	Lewis Group Limited	5%	397 468	0.01%
	Omnia Holdings Limited	5%	324 979	0.01%
	Spur Corporation Limited	5%	170 373	0.00%
	Invicta Holdings Limited	5%	154 963	0.00%
	Stadio Holdings Pty Limited	5%	59 850	0.00%
	Tradehold Limited	5%	45 953	0.00%
	Sygnia Limited	5%	38 802	0.00%
	Adcorp Holdings Limited	5%	13 338	0.00%
	Mettle Investments Limited	5%	2 108	0.00%
	<b>(ii) with a market capitalisation of more than N\$5 000 million are limited to</b>			
	Naspers Limited - N	10%	137 699 387	3.26%
	British American Tobacco Plc	10%	97 910 336	2.32%
	Sasol Limited	10%	56 630 278	1.34%
	Impala Platinum Holdings Limited	10%	44 747 383	1.06%
	Glencore Xstrata Plc	10%	34 683 395	0.82%
	Prosus N.V	10%	34 449 990	0.82%
	Remgro Limited	10%	30 865 380	0.73%
	Mtn Group Limited	10%	25 535 192	0.60%
	Multichoice Group Limited	10%	20 114 191	0.48%
	Woolworths Holdings Limited	10%	18 700 259	0.44%
	Quilter Plc	10%	16 266 071	0.39%
	ABSA Group Limited	10%	15 235 319	0.36%
	Sibanye Gold Limited	10%	14 663 829	0.35%
	Life Healthcare Group Holdings Limited	10%	14 417 711	0.34%
	Reinet Investments SA	10%	11 888 655	0.28%
	Compagnie Financiere Richemont Sa	10%	11 265 051	0.27%
	Anglo American Platinum Limited	10%	10 955 425	0.26%
	Allied Electronics Corp A	10%	9 996 710	0.24%
	Spar Group Limited	10%	8 649 358	0.20%

Pepkor Holdings Limited	10%	8 587 786	0.20%
Exxaro Resources Limited	10%	8 319 128	0.20%
Pick N Pay Stores Limited	10%	8 191 720	0.19%
Wilson Bayly Holmes-Ovcon Limited	10%	7 681 126	0.18%
Anglogold Ashanti Limited	10%	7 616 572	0.18%
Anheuser-Busch Inbev	10%	7 455 086	0.18%
Sa/Nv Northam Platinum Limited	10%	7 440 935	0.18%
Sappi Limited	10%	7 430 931	0.18%
Murray & Roberts Holdings Limited	10%	7 168 466	0.17%
Capitec Bank Holdings Limited	10%	6 506 364	0.15%
BID Corporation Limited	10%	5 954 017	0.14%
Aspen Pharmacare Holdings Limited	10%	5 541 465	0.13%
Network Healthcare Holdings Limited	10%	5 401 824	0.13%
Super Group Limited	10%	4 964 600	0.12%
Sun International Limited	10%	3 738 111	0.09%
Imperial Holdings Limited	10%	3 601 787	0.09%
Distell Group Holdings Limited	10%	3 198 886	0.08%
BHP Billiton Plc	10%	2 995 722	0.07%
Foschini Group Limited	10%	2 769 751	0.07%
Famous Brands Limited	10%	2 502 942	0.06%
Tiger Brands Limited	10%	2 222 991	0.05%
Dis-Chem Pharmacies Pty Limited	10%	1 956 601	0.05%
PPC Limited	10%	1 888 045	0.04%
Nampak Limited	10%	1 643 933	0.04%
Advtech Limited	10%	1 448 410	0.03%
Momentum Metropolitan Holdings	10%	1 275 216	0.03%
KAP Industrial Holdings Limited	10%	1 100 219	0.03%
Hosken Consolidated Investments	10%	963 144	0.02%
Royal Bafokeng Platinum Limited	10%	764 743	0.02%
PSG Group Limited	10%	718 403	0.02%
Zeder Investments Limited	10%	677 210	0.02%
Mr Price Group Limited	10%	542 025	0.01%
RMB Holdings Limited	10%	469 689	0.01%
Alexander Forbes Group Holdings	10%	424 875	0.01%
Curro Holdings Limited	10%	419 950	0.01%
Cartrack Holdings Limited	10%	369 919	0.01%
Rand Merchant Investment Holdings Limited	10%	269 665	0.01%
Oceana Group Limited	10%	188 405	0.00%
Bidvest Group Limited	10%	138 425	0.00%
Steinhoff International Holding	10%	115 350	0.00%
Mondi Plc	10%	106 697	0.00%
Gold Fields Limited	10%	959	0.00%
<b>(b) shares and convertible debentures in a single company or related party listed on a Namibian stock exchange licensed under the Stock Exchanges Control Act -</b>			
<b>(i) with a market capitalisation of N\$500 million or less are limited to</b>			
Nimbus Infrastructure Limited	5%	2 162 824	0.05%
Alpha Namibia Industries Renew	5%	1 563 040	0.04%
Namibian Asset Management Limited	5%	1 430 000	0.03%

<b>(ii) with a market capitalisation of more than N\$500 million are limited to</b>				
Namibia Breweries Limited	10%	109 899 640	2.60%	
Firststrand Namibia Limited	10%	77 306 564	1.83%	
Standard Bank Namibia Group Limited	10%	49 711 965	1.18%	
Anglo American Plc Namibia	10%	44 357 788	1.05%	
Capricorn Investment Group Limited	10%	44 186 219	1.05%	
New Gold Platinum Limited ETF - Namibia	10%	37 204 446	0.88%	
New Gold Palladium Limited ETF - Namibia	10%	33 854 475	0.80%	
Stimulus Investments Limited - Pref Class A	10%	30 429 968	0.72%	
Old Mutual Limited - Namibia	10%	30 081 333	0.71%	
Firststrand Limited Namibia	10%	26 626 698	0.63%	
Investec Limited Namibia	10%	24 438 357	0.58%	
New Gold Issuer Limited ETF - Namibia	10%	20 009 722	0.47%	
Standard Bank Holdings Limited	10%	16 634 860	0.39%	
Shoprite Holdings Limited Namibia	10%	13 209 889	0.31%	
Sanlam Limited	10%	12 353 838	0.29%	
Nedbank Group Limited Namibia	10%	11 666 063	0.28%	
Santam Limited	10%	9 272 294	0.22%	
Oceana Group Limited Namibia	10%	8 902 530	0.21%	
Paratus Namibia Holdings Limited	10%	5 925 291	0.14%	
Truworths International Limited	10%	3 242 624	0.08%	
African Oxygen Namibia	10%	2 168 746	0.05%	
PSG Konsult Limited	10%	1 917 965	0.05%	
Mediclinic International Plc Namibia	10%	1 885 417	0.04%	
Letshego Holdings Namibia	10%	946 207	0.02%	
<b>(c) shares and convertible debentures in a single company or related party listed on any stock exchange outside the common monetary area - in a sector other than in the development capital sector</b>				
<b>(ii) with a market capitalisation of more than N\$5 000 million are limited to</b>				
Orbis SICAV Global Balanced Fund, Core RRF Share Class L-13	10%	269 743 346	6.39%	
Coronation Global Equity FOF Class Z	10%	235 141 875	5.57%	
Investec Global Balanced (sa), R, Acc	10%	180 357 185	4.27%	
Orbis Global Equity Fund	10%	94 036 014	2.23%	
Investec Global Strategic Equity, A, Acc, USD	10%	79 008 465	1.87%	
Xtrackers S&P 500 Swap UCITS ETF	10%	61 940 327	1.47%	
Coronation Global Emerging Market Fund – Class Z	10%	38 121 432	0.90%	
M&G Global Enhanced Equity Premia Fund	10%	27 357 539	0.65%	
Orbis SICAV Emerging Markets Equity Fund, Investor Shares	10%	27 356 731	0.65%	
M&G Global Select Fund	10%	26 068 407	0.62%	
Coronation African Frontier Fund Class Z	10%	22 164 659	0.53%	
M&G Japan Fund Sterling A	10%	19 672 017	0.47%	
M&G North American Value Fund Class X	10%	19 479 092	0.46%	
M&G Lux European Strategic Value Fund	10%	16 489 397	0.39%	
M&G Global Emerging Markets Fund	10%	14 367 759	0.34%	
M&G Lux Global Maxima Fund	10%	13 527 488	0.32%	
Allan Gray Africa ex-SA Equity Fund	10%	13 394 086	0.32%	
I-Shares MSCI Korea ETF	10%	11 713 115	0.28%	
M&G European Smaller Companies Fund - USD	10%	11 453 103	0.27%	
Amundi ETF MSCI Emerging Markets UCITS	10%	11 129 557	0.26%	
Orbis SICAV Japan Equity (Yen) Fund	10%	10 428 879	0.25%	
I-Shares Global Corp Bond UCITS ETF USD	10%	10 069 688	0.24%	

	Orbis Optimal (US\$) Fund	10%	8 124 641	0.19%
	Lyxor Stoxx Europe 600 Basic Resources ETF	10%	6 928 523	0.16%
	Lyxor China Enterprise HSCEI UCITS ETF	10%	6 904 437	0.16%
	SPDR MSCI World Financials UCITS ETF	10%	6 177 540	0.15%
	Coronation World Opportunity Fund – Class Z	10%	6 154 977	0.15%
	Orbis Optimal (Euro) Fund	10%	5 753 285	0.14%
	M&G Recovery Fund Sterling Class X	10%	5 750 993	0.14%
	I-Shares Core DAX ETF	10%	4 937 873	0.12%
	MSCI Indonesia TRN Index UCITS ETF	10%	3 507 882	0.08%
	I-Shares MSCI Turkey UCITS ETF GBP	10%	3 140 930	0.07%
	I-Shares FTSE MIB UCITS ETF EUR	10%	2 662 041	0.06%
	I-Shares Core MSCI World UCITS ETF	10%	2 536 499	0.06%
	Greencoat UK Wind PLC/Funds	10%	1 653 332	0.04%
	I-Shares Core MSCI World UCITS ETF USD	10%	459 561	0.01%
	I-Shares Core S&P 500 UCITS ETF USD	10%	364 910	0.01%
	Xtrackers Nikkei 225 UCITS ETF	10%	361 366	0.01%
<b>8.</b>	<b>Other claims</b>			
	<b>Debentures (listed and unlisted but excluding convertible debentures) and any other secured claims against natural persons (excluding loans to and debentures of property companies):</b>	25%	-	0.00%
	Provided that -			
	(a) claims against any one natural person are limited to	0.25%	-	0.00%
	(b) claims against any single company are limited to	5%	-	0.00%
<b>9.</b>	<b>Other assets</b>			
	<b>Any other asset not referred to in this Annexure, per category or kind of asset, excluding -</b>	2.5%	-	0.00%
	(a) moneys in hand;		-	0.00%
	(b) loans granted to members of the fund concerned in accordance with -		-	0.00%
	(i) the section 19(5) of the Act; and		-	0.00%
	(ii) such exemptions as may have been granted to the fund in terms of section 19(6) of the Act;		-	0.00%
	(c) investments in the business of a participating employer to the extent that it has been allowed by an exemption in terms of -		-	0.00%
	(i) section 19(4) of the Act; or		-	0.00%
	(ii) section 19(6) of the Act;		-	0.00%
	(d) any other asset designated by the Minister by notice in the Gazette.		-	0.00%
<b>10</b>	<b>Unlisted Investments</b>			
	<b>Equity or debt capital in a company incorporated in Namibia and not listed on any stock exchange, but excluding the kinds of assets defined in column 2 of items 1, 2, 3, 4, 5, 6, 7, 8 or 9 of column 1 of this Annexure.</b>	3.5%	38 894 313	0.92%



Limitations for investments in items 6 and 7 as per sub regulation 2 of Regulation 13	90%	2 821 747 519	66.85%
Limitations for investments in items 6, 7, 8 and 9 as per sub regulation 2 of Regulation 13	95%	2 821 747 519	66.85%
<b>Total (equal to the fair value of the assets)</b>	<b>100%</b>	<b>4 221 106 349</b>	<b>100.00%</b>

**Note in terms of item 10 - unlisted investments:**

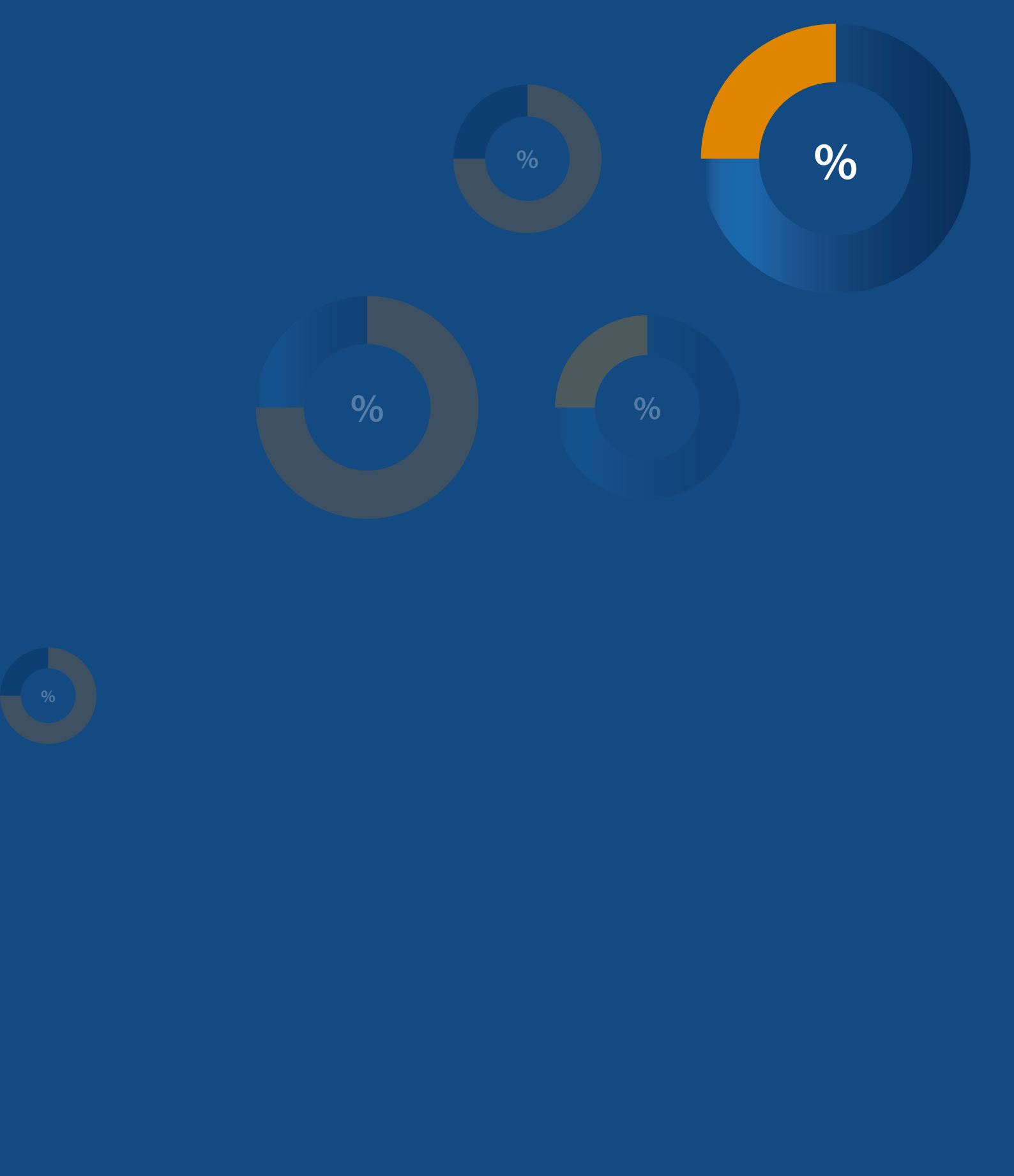
When establishing compliance with regulation 13 in terms of committed capital as defined in regulation 13, the unlisted investments account for 1.923% of investments and therefore the Fund is compliant at year end.











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