DURBAN PENSION FUND
FINANCIAL SECTOR CONDUCT AUTHORITY REGISTRATION NUMBER 12/8/32435

ANNUAL FINANCIAL STATEMENTS
IN TERMS OF SECTION 15 OF THE PENSION FUNDS ACT NO 24. 1956

FOR THE FINANCIAL REPORTING PERIOD ENDED 31 DECEMBER 2023

DURBAN PENSION FUND

ANNUAL FINANCIAL STATEMENTS

For the financial reporting period ended 31 December 2023

Financial Sector Conduct Authority registration number **12/8/32435**

South African Revenue Service approval number: **18/20/4/034728**

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*Not subject to any engagement by an auditor

SCHEDULE A
DURBAN PENSION FUND
Registration number: 12/8/32435

Regulatory Information
For the period ended 31 December 2023

Registered office of the Fund

Postal address:	Physical address:
P O Box 782	Alexander Forbes Place
Umhlanga Rocks	10 Torsvale Crescent
4320	Torsvale Park
South Africa	La Lucia Ridge Office Estate
	La Lucia
	Durban
	4319
	South Africa

Financial reporting periods

Current period:	01 January 2023 to 31 December 2023
Previous period:	01 January 2022 to 31 December 2022

Board of Fund	Email address	Capacity	Date appointed or re-appointed	Date resigned
Employer appointed Board Member				
NP Hlomuka	Pulengnn@gmail.com		01/02/2022	
NL Khuzwayo	NtandoLK@gmail.com	Vice Chairperson	01/02/2022	
S Mbele	Sibonelo.mbele@durban.gov.za		01/02/2022	
N Mladala	nkosenhleim@gmail.com		01/02/2022	
P Pillay	patrickpp@mweb.co.za		01/02/2022	
CN Sisoka	Cherylsisoka18@gmail.com		01/02/2022	
Member elected Board Member				
K Aswanth-Kumar	kumarkrish62@gmail.com		01/02/2022	
KA Goodsell	soodygoodsell@gmail.com		25/06/2021	
G Horstman	Gerald.Horstman@gmail.com		25/06/2021	
J Muir	muirj3@yahoo.com		25/06/2021	17/03/2023
C Nagooroo	nagoorooc@gmail.com		01/04/2023	
DA Rogers	rogersdave183@gmail.com	Chairperson	25/06/2021	
E Seedat	ebrahimseedat1@gmail.com		25/06/2021	

Governance note: schedule of meetings held by the Board of Fund in terms of the Rules of the Fund

Meeting date	Place of meeting	Quorum (yes/no)
02/03/2023	Alexander Forbes office	Yes
29/05/2023	Alexander Forbes office	Yes
26/09/2023	Shepstone & Wylie office	Yes
08/11/2023	Alexander Forbes office	No

SCHEDULE A
DURBAN PENSION FUND
Registration number: 12/8/32435

Regulatory Information
For the period ended 31 December 2023

Fund Officers

Principal Officer

Name: S Davidson

Postal address:
P O Box 205
Durban
4001
South Africa

Physical address:
24 Richefond Circle
Ridgeside Office Park
Umhlanga Rocks
4319
South Africa

Telephone number: +27 (0)31 575 7000
Email address: davidson@wylie.co.za
Date appointed: 28/03/2008

Deputy Principal Officer

Name: HD Naidoo

Postal address:
24 College Drive
Silverglen
4092
South Africa

Physical address:
24 College Drive
Silverglen
4092
South Africa

Telephone number: +27 (0)71 851 0978
Email address: dasanah@gmail.com
Date appointed: 16/03/2021

Monitoring person in terms of Section 13A of the Pension Funds Act

Name: S Davidson

Postal address:
P O Box 205
Durban
4001
South Africa

Physical address:
24 Richefond Circle
Ridgeside Office Park
Umhlanga Rocks
4319
South Africa

Telephone number: +27 (0)31 575 7000
Email address: davidson@wylie.co.za
Date appointed: 28/03/2008

SCHEDULE A
DURBAN PENSION FUND
Registration number: 12/8/32435

Regulatory Information
For the period ended 31 December 2023

Professional service providers

Valuator

Name:	G J Velcich
Qualifications:	BBusSc, FFA, FASSA
Organisation:	Alexander Forbes Financial Services Proprietary Limited

Postal address:	Physical address:
P O Box 253	Block A
Cape Town	The Boulevard
8000	Searle Street
South Africa	Woodstock
	Cape Town
	7925
	South Africa

Telephone number:	+27 (0)21 401 9300
Email address:	velcichg@alexforbes.com

Auditors

Full name:	BDO South Africa Incorporated
Qualifications:	Registered Auditors

Postal address:	Physical address:
Private Bag X60500	Wanderers Office Park
Houghton	52 Corlett Drive
2041	Illovo
South Africa	2196
	South Africa

Telephone number:	+27 (0)11 488 1700
Email address:	mlockhat@bdo.co.za

Benefit administrator

Full name:	Alexander Forbes Financial Services Proprietary Limited
Section 13B registration number:	24/472

Postal address:	Physical address:
P O Box 787240	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Telephone number:	+27 (0)11 269 0000

SCHEDULE A
DURBAN PENSION FUND
Registration number: 12/8/32435

Regulatory Information
For the period ended 31 December 2023

Investment administrator

Full name:	Allan Gray South Africa Proprietary Limited
FAIS registration number:	27146

Postal address:	Physical address:
P O Box 51605	1 Silo Square
V&A Waterfront	V&A Waterfront
Cape Town	Cape Town
8002	8001
South Africa	South Africa

Telephone number: +27 (0)21 514 2301

Investment administrator

Full name:	Colourfield Liability Solutions Proprietary Limited
FAIS registration number:	35113

Postal address:	Physical address:
Unit 16B 3rd Floor	Unit 16B 3rd Floor
3 Melrose Boulevard	3 Melrose Boulevard
Melrose Arch	Melrose Arch
Johannesburg	Johannesburg
2076	2076
South Africa	South Africa

Telephone number: +27 (0)86 100 7656

Investment administrator

Full name:	Coronation Asset Management Proprietary Limited
FAIS registration number:	548

Postal address:	Physical address:
P O Box 44684	7th Floor
Claremont	Montclare Place
7735	Cnr Campground and Main Roads
South Africa	Claremont
	Cape Town
	7708
	South Africa

Telephone number: +27 (0)21 680 2099

SCHEDULE A
DURBAN PENSION FUND
Registration number: 12/8/32435

Regulatory Information
For the period ended 31 December 2023

Investment administrator

Full name:	Futuregrowth Asset Management Proprietary Limited
FAIS registration number:	520

Postal address:	Physical address:
Private Bag X6	3rd Floor
Newlands	Great Westerford Building
7725	240 Main Road
South Africa	Rondebosch
	7700
	South Africa

Telephone number: +27 (0)21 659 5447

Investment administrator

Full name:	Ninety One South Africa Proprietary Limited
FAIS registration number:	587

Postal address:	Physical address:
P O Box 1655	36 Hans Strijdom Avenue
Cape Town	Foreshore
8000	Cape Town
South Africa	8001
	South Africa

Telephone number: +27 (0)21 901 1932

Investment advisor

Full name:	Alexander Forbes Financial Services Proprietary Limited
FAIS registration number:	1177

Postal address:	Physical address:
P O Box 787240	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Telephone number: +27 (0)11 505 6115

Custodian/Nominee

Full name:	Nedbank Limited
FSP approval number:	9363

Postal address:	Physical address:
P O Box 1144	135 Rivonia Road
Johannesburg	Sandton
2000	2196
South Africa	South Africa

Telephone number: +27 (0)11 295 8878

SCHEDULE A
DURBAN PENSION FUND
Registration number: 12/8/32435

Regulatory Information
For the period ended 31 December 2023

Participating employer

The following employer participates in the Fund in terms of the Rules of the Fund:

eThekwini Municipality

SCHEDULE B
DURBAN PENSION FUND
Registration number: 12/8/32435

Statement of Responsibility by the Board of Fund
For the period ended 31 December 2023

Responsibilities

The Board of Fund hereby confirms 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 of South Africa and the Rules of the Fund, including the following:

- ensured that proper registers, books and records of the operations of the Fund were kept, inclusive of proper minutes of all resolutions passed by the Board of Fund;
- ensured that proper internal control systems were employed by or on behalf of the Fund;
- ensured that adequate and appropriate information was communicated to the members of the Fund, informing them of their rights, benefits and duties in terms of the Rules of the Fund;
- took all reasonable steps to ensure that contributions, where applicable, were paid timeously to the Fund or reported where necessary in accordance with Section 13A and FSCA Conduct Standard 1 of 2022 (RF): Requirements related to the payment of pension fund contributions (“Conduct Standard”) of the Pension Funds Act of South Africa;
- obtained expert advice on matters where they lacked sufficient expertise;
- ensured that the Rules and the operation and administration of the Fund complied with the Pension Funds Act of South Africa and all applicable legislation;
- ensured that fidelity cover was maintained and that this cover was deemed adequate and in compliance with the Rules of the Fund; and
- ensured that investments of the Fund were implemented and maintained in accordance with the Fund’s investment strategy.

The Board of Fund assessed the Fund's ability to continue as a going concern in addition to the above responsibilities.

Approval of the annual financial statements

The annual financial statements of Durban Pension Fund are the responsibility of the Board of Fund. The Board of Fund fulfils this responsibility by ensuring the implementation and maintenance of accounting systems and practices adequately supported by internal financial controls. These controls, which are implemented and executed by the Fund and/or its benefit administrator, 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 15 to 54 have been prepared for regulatory purposes in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, the Rules of the Fund and the Pension Funds Act of South Africa.

These annual financial statements have been reported on by the independent auditors, BDO South Africa Incorporated, who were given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Board of Fund believes that all representations made to the independent auditors in the management representation letter during their audit were valid and appropriate. The report of the independent auditors is presented on pages 12 to 14.

SCHEDULE B
DURBAN PENSION FUND
Registration number: 12/8/32435

Statement of Responsibility by the Board of Fund
For the period ended 31 December 2023

Instances of non-compliance

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

These annual financial statements:

- were approved by the Board of Fund on 10 June 2024;
- are, to the best of the Board members' knowledge and belief, confirmed to be complete and correct;
- fairly represent the net assets of the Fund as at 31 December 2023 as well as the results of its activities for the period then ended; and
- are signed on behalf of the Board of Fund by:

Name: MR. DAVID ROGERS
Chairperson

Place: UMHLANGA ROCKS

Date: 10/06/2024

Name: CHRISTOPHER MAGOO RAO
Board Member

Place: UMHLANGA ROCKS

Date: 10/06/2024

Name: MR. E. SEEDAT
Board Member

Place: UMHLANGA ROCKS

Date: 10/06/2024

SCHEDULE C
DURBAN PENSION FUND
Registration number: 12/8/32435

Statement of Responsibility by the Principal Officer
For the period ended 31 December 2023

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

S Davidson
Principal Officer

Place: UMHLANGA ROCKS

Date: 10/06/2024

Tel: +27 011 488 1700
Fax: +27 010 060 7000
www.bdo.co.za

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

Private Bag X60500
Houghton, 2041
South Africa

SCHEDULE D

Independent Auditor's Report to the Board of Fund of the Durban Pension Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Durban Pension Fund (the Fund) set out on pages 29 to 54, which comprise the statement of net assets and funds as at 31 December 2023 and the statement of changes in net assets and funds for the year then ended, and notes to the financial statements, including a *summary of significant accounting policies.*

In our opinion, the financial statements of the Fund for the year ended 31 December 2023 are prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa.

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 Financial Statements* section of our report. We are independent of the Fund in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. 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 Restriction on Use

We draw attention to the *Purpose and basis of preparation of financial statements* note to the financial statements, which describes the basis of preparation of the financial statements. The financial statements have been prepared for the purpose of the Fund's reporting to the Financial Sector Conduct Authority (the Authority) in terms of section 15(1) of the Pension Funds Act No. 24 of 1956, as amended (the Pension Funds Act of South Africa), and have been prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Board of Fund and the Authority and should not be used by parties other than the Board of Fund or the Authority. Our opinion is not modified in respect of these matters.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685
Chief Executive Officer: LD Mokoena

A full list of all company directors is available on www.bdo.co.za

The company's principal place of business is at The Wanderers Office Park, 52 Corlett Drive, Illovo, Johannesburg where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Other Information

The Board of Fund is responsible for the other information. The other information comprises the information included in the Annual Financial Statements in terms of section 15 of the Pension Funds Act of South Africa, of the Fund for the period 1 January 2023 to 31 December 2023, but does not include the financial statements (schedules F, G and HA) and our auditor's report thereon (schedule D).

Our opinion on the 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 financial statements, our responsibility is to read the other information 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, 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 Fund for the Financial Statements

The Board of Fund is responsible for the preparation of the financial statements in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa and for such internal control as the Board of Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Fund is also responsible for compliance with the requirements of the Rules of the Fund and the Pension Funds Act of South Africa.

In preparing the financial statements, the Board of Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Fund.

- Conclude on the appropriateness of the Board of Fund's 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 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.

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

Report on Other Legal and Regulatory Requirements.

The Statement of Responsibility by the Board of Fund describes instances of non-compliance with laws and regulations, including those that determine the reported amounts and disclosures in the financial statements that have come to the attention of the Board of Fund and the corrective action taken by the Board of Fund. 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 financial statements.

BDO South Africa Inc.
Registered Auditors

Per: MI Lockhat
Director
Registered Auditor

Date: _____

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

SCHEDULE E
DURBAN PENSION FUND
Registration number: 12/8/32435

Report of the Board of Fund
For the period ended 31 December 2023

1. Description of the Fund

Type of Fund

In terms of Section 1 of the Income Tax Act, 1962 the Fund is classified as a pension fund. The Fund is a defined benefit fund.

Benefits

Fund benefits

The object of the Fund is to provide retirement and other benefits for beneficiaries.

Pensionable age

The pensionable age for members of the Fund is 63 years.

Bonus service

An additional year on completion of each 20, 25 and 30 years' qualifying service.

Final average emoluments

Average annual pensionable emoluments over the last 12 completed calendar months.

Benefit on retirement at pensionable age or after 40 years of service

Pension of 2.25% and gratuity of 7% of final average emoluments per year of pensionable service.

Bonus

A bonus equivalent to the November monthly pension is payable.

Early retirement

Members may retire at any age from 55 years after the completion of at least 10 years service at a discount of 5% per annum for each year of early retirement.

Late retirement

Service may be extended to age 65. Retirement factor is increased by 5/12 of one percent for each month after age 63.

Benefit on retirement because of ill health

The greater of the benefit as set out in benefit on retirement at pensionable age or after 40 years service above based on pensionable service to actual retirement age or after 10 years pensionable service, the pension based on 60% of the potential service to age 63. For pensionable service less than 10 years the discounting factor of 60% is reduced by 3% for each year of pensionable service less than 10 years.

Commutation

Up to one third of the pension on retirement may be commuted for a lump sum.

Spouse pension on death in service

33% of the pension the member would have received had he retired on grounds of ill health after one year service increasing to 60% after completion of ten or more years' service.

Child pension on death in service

To the extent that the actual service exceeds 60% of the potential service a child pension is payable equivalent to between 25% and 66.6% of the spouse pension depending on the number of children. The amount payable is doubled if no spouse pension is payable.

Spouse pension on death of pensioner

Pensioners' pension continues in full for three months and thereafter 60% of pensioners pension before commutation if married before retirement or 40% if married after retirement.

Child pension on death of pensioner

To the extent that the actual service exceeds 60% of the potential service, a child pension is payable equivalent to between 25% and 66.6% of the spouse pension, depending on the number of children. The amount payable is doubled if no spouse pension is payable.

Lump sum on death in service

Death benefit equivalent to the amount that would have been paid on maximum commutation of pension if member had retired on grounds of ill health on the date of his death plus gratuity of 7% of final average emoluments per year of service.

Withdrawal on termination of service

The member shall become a deferred pensioner unless the member chooses to take the cash benefit being the greater of the members contributions plus 5/12th of 1% for each month of membership increased by a further 5% for each completed year of membership up to a maximum of 100% and the minimum individual reserve as set out in the Pension Funds Act.

Unclaimed benefits

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

SCHEDULE E
DURBAN PENSION FUND
Registration number: 12/8/32435

Report of the Board of Fund
For the period ended 31 December 2023

Strategy of the Board of Fund towards unclaimed benefits

The administrators maintain a separate record in respect of benefits due under the Fund which have not been claimed. Subject to the provisions of the Pension Funds Act, any such benefit shall be dealt with in the manner set out below:

a) If a potential beneficiary approaches the Fund at any stage the Board of Fund shall consider his claim and if the circumstances so warrant, shall pay to the beneficiary that part of the benefit, increased by such interest as they may allow, that at the date of payment to the beneficiary is in excess of any costs incurred by the Fund in the administration and tracing of such benefit,
b) If so decided by the Board of Fund, that part of the benefit, increased by such interest as they may allow, that as at the date of transfer is in excess of any costs incurred by the Fund in the administration and tracing of such benefit, may be transferred to a national fund established by legislation for the purpose of housing unclaimed benefits, or to a Fund established by an administrator for the same purpose.

If any costs are incurred as a consequence of the Board of Fund tracing any potential beneficiaries whose benefits due under the Fund are unclaimed or in order to give effect to the provisions of Section 37C of the Act, such reasonable costs may be recovered from the benefits payable to such beneficiaries. The Pension Funds Act defines unclaimed benefits as all claims that remain unpaid in excess of 24 months from the date on which it in terms of the rules of the fund, became legally due and payable.

If a person to whom an amount is payable cannot be traced, the amount shall be paid to a national fund established by legislation for the purpose of housing unclaimed benefits, or to a fund established by an administrator for the same purpose.

Beneficiary benefits

Beneficiary benefits are paid in terms of the Rules of the Fund.

Contributions

Members' contributions

Members contribute at a rate of 9.71% of pensionable salary, which constitutes a cash contribution of 7.5% and a further 2.21% which is settled from the Contribution Stabilisation Reserve.

Member additional voluntary contributions are allowed in terms of the Rules of the Fund.

Employers' contributions

The employer shall make monthly contributions to the Fund equivalent to 2.4 times member contributions. In addition, the employer shall contribute, with effect from a date decided by the Board of Fund on the advice of the actuary, an additional ongoing amount calculated by the actuary, which is required to meet the increased cost in securing the benefits payable to active members in terms of the Rules, due to a strengthening of the Fund's valuation basis and any improvement in the level of benefits offered by the Fund. This additional amount will be shared in the ratio 1 to 2.4 times between the active members and the employer respectively.

If the actuarial valuation of the Fund reveals that an increase in the rate of contributions is required in order to mitigate the effect of an increase in the average age of the membership as a result of the closure of the Fund to new membership and / or as a result of the transfer of members and assets to an approved pension fund, approved provident fund or approved retirement annuity fund, the employer shall increase its contributions to the amount recommended by the actuary and for such period of time as the actuary determines is necessary in order to fund such increase in the rate of contributions.

Per the 1 January 2022 Statutory Valuation, the Employer is currently contributing at a rate of 29.23% of which 11.23% (2021:5.52.%) is being met from the Employer Surplus Account.

Revised rules

During the prior reporting period, the Fund's Rules were consolidated to take account all the rule amendments. The Financial Sector Conduct Authority approved the revised Rules on 31 January 2022.

All Rule amendments are available for inspection at the registered office of the Fund.

Reserves and specified accounts established in terms of the Rules of the Fund

Contribution Stabilisation Reserve Account

The Fund shall maintain a Contribution Stabilisation Reserve, to which shall be allocated such amounts, as determined by the Board of Fund on the advice of the actuary.

The amount in the Contribution Stabilisation Reserve shall be:

(a) Increased or decreased by the investment return earned by the assets within this account, including any investment income, received and accrued, less an allowance for any tax and if applicable, part or all of any expenses, paid and accrued, together with capital appreciation, realised or unrealised.
(b) Credited or debited with such amounts as may be recommended by the actuary from time to time and agreed to by the Board of Fund.
(c) The balance maintained in the Contribution Stabilisation Reserve shall be limited to what is affordable, having regard to the financial position of the Fund.

The balance of the Contribution Stabilisation Reserve as at 31 December 2023 is R 53 865 000.(2022: R 52 836 000)

Solvency Reserve

The Fund shall maintain a Solvency Reserve which shall be equal to the amount required on the advice of the actuary to stabilise the funding level to a level considered prudent by the actuary.

The amount in the Solvency Reserve shall be debited or credited with such amounts as may be recommended by the actuary from time to time and agreed to by the Board of Fund. The balance maintained in the Solvency Reserve shall be limited to what is affordable, having regard to the financial position of the Fund.

Pensioner Member Solvency Reserve and Active Member Solvency Reserve values have been combined and included in the Solvency Reserve in terms of the Rules of the Fund.

The balance in the Solvency Reserve as at 31 December 2023 is R1 392 701 000 and includes R 283 128 000 from the Active member account and R 1 109 573 000 from the Pensioner account (2022: R1 528 556 000).

Pensioner Account

In terms of the Rules of the Fund, the Pensioner Account shall be credited with the following:

(a) The amount recommended by the Actuary as at 1 January 2008 as the amount required to meet the liability of the Fund in respect of pensions in payment from the Fund including such actuarial surplus attributable to the pensioners as may be recommended by the actuary;
(b) The value of the amount held by the Fund as at 1 January 2008 on the recommendation of the actuary in order to pay pensions and other benefits to deferred pensioners in terms of the Rules of the Fund;
(c) The value of the balance of the benefit payable to a retiring member or deferred pensioner after any commutation in terms of the Rules of the Fund, including such portion of the solvency margin in the active member account as may be decided on by the actuary;
(d) Transfers from the Risk Reserve Account in terms of the Rules of the Fund;
(e) Any contribution by the employer in terms of the Rules of the Fund.

The Pensioner Account shall be debited with the following;

(a) Pensions payable to pensioners in terms of the Rules of the Fund;
(b) Pensions and other benefits, including the gratuity referred to in the Rules, payable to and in respect of deferred pensioners in terms of the Rules of the Fund.
(c) If applicable, amounts transferred from the Fund in respect of a pensioner in terms of the Rules of the Fund.
(d) The amount required, as determined by the Actuary, to meet the expenses of the Fund relating to the membership of the pensioners.

The Pensioner Account shall be increased or decreased by the net investment return earned by the portfolio in which the assets within this account are invested, including any investment income (received and accrued) less an allowance for any tax and, if applicable, part or all the expenses (paid and accrued), together with capital appreciation, realised or unrealised.

The balance of the Pensioner Account as at 31 December 2023 is R 7 374 082 907.(2022: R 7 083 819 000).

Employer Surplus Account

An Employer Surplus account was established in 2007 to fund an employer contribution holiday. Investment returns equivalent to that earned on the investments of the active members assets is credited to the surplus account after taking into account the value of the monthly contribution holiday of 11.23% (2021: 5.52%).

The Employer Surplus Account shall comprise of the following:

(a) Any amounts allocated in terms of Section 15C of the Pension Funds Act.
(b) The amount standing to the credit of the Employer Surplus Account shall be increased or decreased by the investment return earned by the assets within this account, including any investment income, received and accrued) less an allowance for any tax and if applicable part or all of any expenses, paid and accrued, together with capital appreciation, realised or unrealised.
(c) The amount standing to the credit of the Employer Surplus Account may be used in the manner and for any purposes set out in the Act.

The balance of the Employer Surplus account as at 31 December 2023 is R 20 670 000. (2022: R15 663 000).

Member Surplus Account

The Member Surplus Account shall comprise of the following:

(a) Any amounts allocated in terms of Section 15C of the Pension Funds Act.
(b) The amount standing to the credit of the Member Surplus Account shall be increased or decreased by the investment return earned by the assets within this account, including any investment income, received and accrued) less an allowance for any tax and if applicable part or all of any expenses, paid and accrued, together with capital appreciation, realised or unrealised.
(c) The amount standing to the credit of the Member Surplus Account may be used in the manner and for any purposes set out in the Act.

The member Surplus Account is currently not utilised.

Pensioner Surpus Reserve Account

The Fund shall maintain a Pensioner Surplus Reserve Account which shall be allocated such amounts, as determined by the Board of Fund on the advice of the actuary.

The amount in the Pensioner Surplus Reserve Account shall be:

(a) Increased or decreased by the investment return earned by the assets within this account, including any investment income, received and accrued, less an allowance for any tax and if applicable, part or all of any expenses, paid and accrued, together with capital appreciation, realised or unrealised.
(b) Debited with amounts used to improve the benefits of Pensioners as decided by the Board of Fund from time to time, after taking the advice of the Actuary.

The balance of the Pensioner Surplus Reserve Account as at 31 December 2023 is R 702 787 309.(2022: R 622 065 414).

Employer Contribution Reserve Account

The Fund shall maintain an Employer Contribution Reserve Account which shall be allocated such amounts, as determined by the Board of Fund on the advice of the actuary.

The amount in the Employer Contribution Reserve Account shall be:

(a) Increased or decreased by the investment return earned by the assets within this account, including any investment income, received and accrued, less an allowance for any tax and if applicable, part or all of any expenses, paid and accrued, together with capital appreciation, realised or unrealised.
(b) Debited with amounts transferred to Employer Surplus Account as decided by the Board of Fund, from time to time, after taking the advice of the Actuary, to meet part of the Employer's ongoing contributions to the Fund.

The balance of the Employer Contribution Reserve Account as at 31 December 2023 is R 96 858 784. (2022: R105 328 905).

Risk reserve account

The Risk Reserve Account shall be credited with such amount as may be determined by the actuary in consultation with the Board of Fund from time to time, having regard to the purpose of this account to which is to make provision towards payments in respect of future death and ill-health retirement benefits.

The amount standing to the credit of the Risk Reserve Account shall be credited or debited with such amounts as may be recommended by the actuary from time to time and agreed to by the Board of Fund.

The balance for the Risk Reserve Account as at 31 December 2023 is R 9 722 000. (2022: R 12 389 000).

2. Investments

Investment strategy

The Fund has developed separate investment strategies for the active member and pensioner pools.

The Board of Fund employ asset managers to manage assets on an active management basis. The Board of Fund retain responsibility for the appointment of the managers and seek input from their investment advisor and their actuary in selecting managers and the underlying portfolios. Each manager is expected to pursue their own strategy within the broad framework of the guidelines set out in the mandate.

Fund's cash inflows and withdrawals will be made to and from managers as agreed by the Board of Fund from time to time.

Active Member Investment Strategy
The Board of Fund has implemented a combination of a Liability Driven Investment (LDI) Strategy and a Growth Strategy for the active pool. The LDI strategy helps mitigate the risks associated with defined benefit liabilities, while the Growth Strategy provides diversification into assets with a higher expected return, in order to sufficiently meet benefit payments. The broad strategy and benchmark adopted for the total active asset pool is as follows:

LDI Strategy – 70%
Growth Strategy 30%

The LDI Strategy invests mainly in Inflation Linked Bonds with a minor allocation to fixed interest bonds
The Growth Strategy invests as follows:
Local Equity - 40%
Local Property - 10%
Offshore Equity - 50%

In combination the allocation is:
LDI Strategy - 70%
Local Equity – 12%
Local Property – 3%
Offshore Equity – 15%

The Board of Fund allocates approximately 6% of the active member asset pool to socially responsible investments through a combination of the local property allocation as well as a development bond component in the LDI Strategy.

The Board selects a specialist LDI manager to manage the LDI Strategy after considering advice from their investment advisor.

The Board selects various investment managers that specialise in managing specific asset classes to manage the assets in the Growth Strategy.

The objective of the combined strategy is to ensure that the growth in fund assets is at least equal to the growth in the liabilities of active members and to mitigate the investment risks associated with funding a defined benefit liability. An asset liability modelling exercise is undertaken periodically to inform the optimal allocation to the LDI Strategy as well as the allocation in the individual asset classes for the Growth Strategy.

The active member assets are invested with the following manager mandates:
-Ninety One South Africa Proprietary Limited –General Equity (local equity)
-Ninety One South Africa Proprietary Limited – Global Franchise (offshore equity)
-Allan Gray South Africa Proprietary Limited – Domestic Equity (local equity)
-Allan Gray South Africa Proprietary Limited – Global Equity (offshore equity)
-Futuregrowth Asset Management –Community Property fund (local property)
-Futuregrowth Asset Management –Infrastructure Development Bond Fund (Local Bonds/LDI)
-Coronation Asset Management Proprietary Limited – Domestic Equity (local equity)
-Colourfield Liability Solutions Proprietary Limited – LDI Strategy (Bonds/LDI)

The investment strategy complies with the Pension Funds Act in South Africa and is reviewed annually.

Report of the Board of Fund
For the period ended 31 December 2023

Pensioner Member Investment Strategy
The Board of Fund has implemented a combination of a LDI Strategy and a Growth Strategy for the pensioner pool. The allocation to the LDI Strategy and Growth Strategy was informed by a detailed asset liability modelling exercise that was completed in 2020 along with input from the appointed investment advisor and the actuary.

The amount allocated to the LDI Strategy is determined by a calculation of the pensioner liability for the pension benefits in payment. The remaining assets are invested in the Growth Strategy.

The LDI Strategy invests mainly in Inflation Linked Bonds with a minor allocation to fixed interest bonds
The Growth Strategy invests
Local Equity - 40%
Local Property - 10%
Offshore Equity - 50%

An asset liability modelling exercise is undertaken periodically to inform the optimal allocation to the LDI Strategy as well as the allocation in the individual asset classes for the Growth Strategy.

The Board of Fund allocates approximately 6% of the pensioner member asset pool to socially responsible investments through a combination of the local property allocation as well as a development bond component in the LDI Strategy.

The Board selects a specialist LDI manager to manage the LDI Strategy after considering advice from their investment advisor.

The Board selects various investment managers that specialise in managing specific asset classes to manage the assets in the Growth Strategy.

The pensioner member assets are invested with the following manager mandates:
-Ninety One South Africa Proprietary Limited –General Equity (local equity)
-Ninety One South Africa Proprietary Limited – Global Franchise (offshore equity)
-Allan Gray South Africa Proprietary Limited – Domestic Equity (local equity)
-Allan Gray South Africa Proprietary Limited – Global Equity (offshore equity)
-Futuregrowth Asset Management –Community Property fund (local property)
-Futuregrowth Asset Management –Infrastructure Development Bond Fund (Local Bonds/LDI)
-Coronation Asset Management Proprietary Limited – Domestic Equity (local equity)
-Colourfield Liability Solutions Proprietary Limited – LDI Strategy (Bonds/LDI)

The investment strategy complies with the Pension Funds Act in South Africa and is reviewed annually.

General principles

The Board of Fund has formulated an investment strategy that complies with the provisions of Regulation 28 of the Pension Funds Act, after taking due consideration of the advice of the Fund's investment and other professional advisors. In terms of the investment strategy, the investments are managed according to the following principles:

Sustainability of investments

The Fund's Investment Policy Statement (IPS) incorporates the Fund's philosophy on sustainability in line with the FSCA Guidance Note 1 of 2019. The latest IPS is available to members on request.

While the majority of the functions relating to the investment of assets, is delegated to the underlying manager, the Board articulates an evolving environmental, social and governance (ESG) philosophy in relation to the underlying investments - to influence those managers. The Board receives feedback from the various asset managers on ESG matters.

The Board supports ESG investing, both through listed and unlisted markets, to develop sustainable investment opportunities for assets on behalf of Fund members.

Unclaimed benefits

The unclaimed benefits are in respect of the administration account which accrues interest at the rate of the increase in CPI plus 3% per annum.

Contribution Stabilisation Reserve Account, Employer Surplus Account and Risk Reserve Account

The Contribution Stabilisation Reserve Account, the Employer Surplus Account and the Risk Reserve Account forms part of the Active Member Investment Strategy.

Solvency Reserve

The active member solvency reserve forms part of the active member investment strategy and the pensioner solvency reserve forms part of the pensioner member investment strategy.

Pensioner Surplus Reserve Account

The Pensioner Surplus Reserve Account forms part of the Pensioner Pool Assets and is invested in Growth Assets and Liability Driven Assets as decided by the Board of Fund.

Employer Contribution Reserve Account

The Employer Contribution Reserve Account forms part of the Pensioner Pool Assets and is invested in Growth Assets and Liability Driven Assets as decided by the Board of Fund.

Management of investments

Appointed managers

With a view to diversifying risk, the Fund has continued with the appointment of three managers, namely Allan Gray South Africa Proprietary Limited, Coronation Asset Management Proprietary Limited and Ninety One South Africa Proprietary Limited to manage its local equity investments and two managers, namely Allan Gray South Africa Proprietary Limited and Ninety One South Africa Proprietary Limited to manage its offshore equity investments. Each of the three local managers, manage a specific component of the Growth Strategy in both the active member pool and the pensioner member pool. The managers are remunerated on a combination of a fixed percentage fee based on the market value of assets and a performance based management fee for outperformance of a predetermined benchmark.

Colourfield Liability Solutions Proprietary Limited, a specialist liability driven investment manager, is appointed to manage the LDI Strategy for both the active member pool and pensioner member pool. Colourfield Liability Solutions Proprietary Limited is remunerated at a fee based on a fixed percentage of the assets managed.

Futuregrowth Asset Management invests via pooled investments for both the active member pool and the pensioner member pool. The Futuregrowth assets adopt an explicit socially responsible objective in the investment framework. Futuregrowth Asset Management manages a local bond mandate as a small component of the LDI Strategy as well as the local property mandate in the Growth Strategy. Futuregrowth Asset Management is remunerated on a fee based on a fixed percentage of the market values of the investment portfolios.

The Investment Committee meet at quarterly intervals to monitor the asset allocation and performance of the investment managers against the investment strategy of the Fund. The investment managers present to the Investment Committee quarterly on their portfolios.

Alexander Forbes Financial Services Proprietary Limited is the asset consultant for the Fund.

3. Membership

Active members	
At beginning of period	406
Less:	
Withdrawals	12
Deaths	4
Retirements	31
Transfers to other funds	4
At end of period	**355**

Number at end of period (South African citizen)	355

Citizenship

As per feedback received from the Financial Sector Conduct Authority, the citizenship disclosure is based on the members' identification numbers (ID's).

SCHEDULE E
DURBAN PENSION FUND
Registration number: 12/8/32435

Report of the Board of Fund
For the period ended 31 December 2023

Deferred members	
At beginning of period	3
At end of period	**3**

Number at end of period (South African citizen) 3

Citizenship

As per feedback received from the Financial Sector Conduct Authority, the citizenship disclosure is based on the members' identification numbers (ID's).

Pensioners	
At beginning of period	6 604
Additions	156
Re-instated pensioners	103
Less:	
Deaths	384
Suspended pensioners	111
Adjustments	5
At end of period	**6 363**

Number at end of period (South African citizen) 6 243
Number at end of period (non-South African citizen) 120

Adjustments

The Board of Fund agreed to write back the liabilities in respect of pensioners whose certificates of existence have remained outstanding for a protracted period of time.

Citizenship

As per feedback received from the Financial Sector Conduct Authority, the citizenship disclosure is based on the members' identification numbers (ID's).

Unclaimed benefits	
At beginning of period	102
Additions	13
Less:	
Settled in full	8
At end of period	**107**

Number at end of period (South African citizen) 107

4. Actuarial valuation

The 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 on by the Actuary annually.

A statutory valuation was performed as at 1 January 2022 and the Actuary reported that the Fund was in a sound financial position. The statutory valuation was submitted to the Authority on 12 December 2022 add was approved by the Authority on 30 November 2023.

The next statutory valuation will be performed as at 1 January 2025.

5. Surplus apportionment

Nil scheme

The surplus apportionment date of the Fund was 31 December 2003. This Fund submitted a nil scheme as there was no surplus to be distributed. A nil surplus scheme was submitted to the Authority on 21 September 2005 and noted on 26 February 2006.

Future surplus

The statutory valuation as at 1 January 2023 reflected a surplus of R 322 million in the Active Member Account and R 388 million in the Pensioner Account.

6. Housing loan facilities

No loans or guarantees were granted to members and all previous loans have been paid up.

7. Additional disclosure

Code of conduct

A code of conduct has been drawn up for Board of Fund members and the principal officer and deputy principal officer. The code of conduct which includes an acceptance of appointment, a gift policy and a declaration of interest is reviewed annually.

Communications policy

The Fund provides annual benefit statements and communicates with members via circulars as and when required. The Rules, investment strategy, annual financial statements and a guide to benefit calculation are available on the Fund`s website.

Risk management policy

The Board of Fund accepts its responsibility for identifying, assessing and managing actual or potential risks to which the Fund is exposed. The Board of Fund has, through its risk management policy, scheduled these risks and recorded the appropriate strategies adopted to manage or mitigate the impact of such risks. The risk management policy is reviewed annually.

8. Significant matters

Impact of changes in Regulation 28 on the AFS

Regulation 28 under the Pension Funds Act was recently amended (Gazetted on 5 July 2022) to include additional reporting requirements in relation to infrastructure assets and amendments to the asset spreading requirements). The intention is that the draft Regulatory Reporting Standard (the Standard) will replace Board Notice 77, but the consultation process for the Annual Financial Statements (AFS) has not been finalised. Further-more in accordance with the FSCA Communication 19 of 2023 released on 19 July 2023, (RF) paragraph 3.1, the FSCA wishes to clarify that since the Regulatory Reporting Standard has not yet been finalised, funds must continue to prepare annual financial statements in accordance with the requirements of Board Notice 77 (including the existing Schedule IB).

The revised Regulation 28 now includes Category 9 (Private equity), Category 10 (Other assets not referred to in this schedule and excluding a hedge fund or private equity fund) and Category 11 (Investments in Infrastructure) and a new Table 2 with reference to “Investments in Infrastructure”, which has not been included in the current Regulation 28 disclosure in these financial statements. Accordingly, the current Regulation 28 disclosure does not comply with the revised Regulation 28 requirements (Gazetted on 5 July 2022).

Currently, in accordance FSCA Communication 19 of 2023 released on 19 July 2023 certain of the percentage limits have been amended and all investments are to be disclosed on a look through basis except for non-linked insurance policies where no look-through information is available from the investment administrators.

9. Subsequent events

Since the end of the period under review no significant events have occurred that affect the annual financial statements.

SCHEDULE F
DURBAN PENSION FUND
Registration number: 12/8/32435

Statement of Net Assets and Funds
At 31 December 2023

	Notes	Current period R	Previous period R
ASSETS			
Non-current assets			
Investments	**1**	11 499 332 937	11 230 189 800
		11 499 332 937	11 230 189 800
Current assets			
Accounts receivable	**2**	88 348 817	78 113 094
Cash at bank		42 013 581	31 419 291
		130 362 398	109 532 385
Total assets		**11 629 695 335**	**11 339 722 185**
FUNDS AND LIABILITIES			
Active member account		1 942 459 858	1 892 864 274
Pensioner account		7 374 082 907	7 083 819 000
		9 316 542 765	8 976 683 274
Reserve accounts			
Reserve accounts	**4**	2 255 934 093	2 321 175 319
		2 255 934 093	2 321 175 319
Total funds and reserves		**11 572 476 858**	**11 297 858 593**
Non-current liabilities			
Employer surplus account	**5**	20 670 000	15 663 000
Unclaimed benefits	**6**	11 834 999	9 974 285
		32 504 999	25 637 285
Current liabilities			
Benefits payable	**8**	23 698 597	15 495 318
Contributions payable	**3**	205 669	205 669
Accounts payable	**9**	809 212	525 320
		24 713 478	16 226 307
Total funds and liabilities		**11 629 695 335**	**11 339 722 185**

SCHEDULE G
DURBAN PENSION FUND
Registration number: 12/8/32435

Statement of Changes in Net Assets and Funds
For the period ended 31 December 2023

	Notes	Pensioner and Active member account R	Reserve account/(s) R	Current period R	Previous period R
Contributions received and accrued	**3**	38 835 543	0	38 835 543	46 174 509
Contributions transferred from reserve accounts	**4**	3 573 160	(3 573 160)	0	0
Contributions transferred from surplus accounts	**5**	18 156 824	0	18 156 824	16 234 000
Net investment income	**10**	1 006 404 782	120 546 543	1 126 951 325	257 089 733
Other income	**11**	7 182 769	0	7 182 769	7 582 565
Net income before expenses		**1 074 153 078**	**116 973 383**	**1 191 126 461**	**327 080 807**
Less					
Administration expenses	**12**	9 107 309	0	9 107 309	7 984 749
Net income before transfers and benefits		**1 065 045 769**	**116 973 383**	**1 182 019 152**	**319 096 058**
Transfers and benefits					
Transfers to other funds	**7**	(16 332 191)	0	(16 332 191)	(4 599 581)
Benefits	**8**	(863 818 573)	0	(863 818 573)	(806 858 773)
Net income before funds and reserves		**184 895 005**	**116 973 383**	**301 868 388**	**(492 362 296)**
Funds and reserves					
Balance at beginning of period		8 976 683 274	2 321 175 319	11 297 858 593	11 817 381 153
		9 161 578 279	**2 438 148 702**	**11 599 726 981**	**11 325 018 857**
Net investment return allocated					
Benefits payable to current members	**8**	(2 213 175)	0	(2 213 175)	(2 487 063)
Unclaimed benefits	**6**	(1 188 234)	0	(1 188 234)	0
Transfers to other funds	**7**	(684 890)	0	(684 890)	(590 201)
Surplus and reserve accounts		(1 563 824)	0	(1 563 824)	(83 000)
Employers surplus apportionment	**5**	(21 600 000)	0	(21 600 000)	(24 000 000)
		9 134 328 156	**2 438 148 702**	**11 572 476 858**	**11 297 858 593**
Transfer between reserve account/(s) and					
Pensioner and Active member account		182 214 609	(182 214 609)	0	0
Balance at end of period		**9 316 542 765**	**2 255 934 093**	**11 572 476 858**	**11 297 858 593**

Basis of preparation

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

The annual financial statements are prepared on the historical cost and going concern basis, except where specifically indicated in the accounting policies below:

Principal accounting policies

The following are the principal accounting policies adopted by the Fund. These policies have been applied consistently to all years presented, unless otherwise stated.

Financial instruments

A financial instrument is recognised when the Fund becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value plus directly attributable transaction costs other than those classified at fair value through the Statement of Changes in Net Assets and Funds. Gains or losses arising from changes in the fair value are presented in the Statement of Changes in Net Assets and Funds in the period in which they arise.

Financial instruments include financial assets, cash and cash equivalents, accounts receivable, accounts payable, other financial liabilities and derivative financial instruments.

Financial instruments include the following instruments per category:

Financial assets at fair value through Statement of Changes in Net Assets and Funds
- Equities
- Debt instruments including Islamic debt instruments
- Collective investment schemes
- Insurance policies
- Derivative market instruments
- Commodities
- Investment properties and owner occupied properties

Financial liabilities at fair value through Statement of Changes in Net Assets and Funds
- Derivative market instruments
- Other

Loans and receivables
- Cash
- Accounts receivable

Other financial liabilities
- Accounts payable

Subsequent to initial recognition, financial instruments are measured on the basis set out below:

Equities

Listed equities

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

Unlisted equities

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

Debt instruments including Islamic debt instruments

Debt instruments comprise investments in government or provincial administration, local authorities, participating employers, subsidiaries or holding companies and corporate bonds.

Listed debt instruments

The fair value of listed debt instruments traded on active liquid markets is based on regulated exchange quoted ruling closing prices at the close of business on the last trading day on or before the Statement of Net Assets and Funds date.

Unlisted debt instruments

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

Collective investment schemes

Investments in collective investment schemes are subsequently measured at fair value, which is the quoted net asset value price, as derived by the collective investment scheme administrator, multiplied by the number of units held

Insurance policies

Linked policies

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

Derivative market instruments

Derivative market instruments consist of options, equity index-linked instruments, futures/forwards, foreign currency swaps and interest rate swaps.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from regulated exchange quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. The Fund does not classify any derivatives as hedges in a hedging relationship.

Options

Options are valued using option pricing models.

Futures/forwards

The fair value of publicly traded derivatives is based on quoted closing prices for assets held or liabilities issued, and current offer prices for assets to be acquired and liabilities held.

Cash

Cash and cash equivalents comprise cash at hand, cash balances and call deposits.
Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in fair value. Cash and cash equivalents are initially measured at fair value and subsequently at amortised cost using the effective interest method.

Accounts receivable

Accounts receivable are subsequently measured at amortised cost using the effective interest method, less impairment losses. Receivables with a short duration are not discounted, as the effects of discounting are immaterial.

Accounts payable

Accounts payable are subsequently measured at amortised cost, using the effective interest method. Payables with a short duration are not discounted, as the effects of discounting are immaterial.

Contributions

Contributions received and accrued

Contributions are measured at the fair value of the consideration received or receivable and are accrued and recognised as income in accordance with the Rules of the Fund. Contributions received are apportioned between retirement funding and funding for risk expenses. The apportionment is governed by the Rules of the Fund. Any contributions outstanding at the end of the reporting period are recognised as a current asset – contributions receivable. Any contributions received in advance at the end of the reporting period are recognised as a current liability – contributions payable.Contributions received and accrued only include cash payments from the member and employer, as well as additional contributions received by the employer in respect of an actuarial shortfall according to the valuator's report. They do not include contributions funded from reserve or surplus accounts.

Contributions transferred from reserve accounts

Contributions transferred from reserve accounts include any contributions that are funded from the reserve accounts of the Fund. This caters for any contribution holiday before surplus apportionment. After surplus apportionment has been approved, a contribution holiday will be funded from the Employer surplus account.

Contributions transferred from surplus accounts

Contributions transferred from surplus accounts include any contributions that are funded from the surplus accounts. This relates to any contribution holiday after surplus apportionment has been approved and the corresponding utilisation of the Employer surplus account and the Member surplus account has been approved.

Interest charged on late payment of contributions

Compound interest (compounded daily) on late payments or unpaid amounts and values is calculated for the period from the first day of the month following the expiration of the period in respect of which the relevant amounts or values are payable or transferable until the date of receipt by the Fund.

Interest at a rate as prescribed from time to time by the Minister by notice in the Gazette shall be payable on:

The amount of any contribution transferred into a Fund's bank account later than seven days after the end of the period for which such a contribution is payable;

Reserves and specified accounts

Reserve accounts are accounted for in terms of the Rules of the Fund.

Surplus

Surplus apportionment is recognised on the date when the surplus distribution is approved by the Board as recommended by the valuator.

Surplus is measured at the values contained in the surplus distribution approved by the Board as recommended by the valuator.

Transfers to other funds

Section 14(1) transfers to other funds

Section 14 transfers to other funds are recognised on the date of approval of the scheme/arrangement of transfer of business by the Financial Sector Conduct Authority , as contained in the approval certificate obtained from the Financial Sector Conduct Authority. Section 14 transfers are measured at the values according to the Section 14 application at effective date of transfer adjusted for investment return or late payment interest, and any members who exited the Fund after the effective date of the transfer but prior to the approval of the application from the Financial Sector Conduct Authority.

Benefits

Benefits payable are measured in terms of the Rules of the Fund. Benefit payments are recognised as an expense when they are due and payable in terms of the Rules of the Fund. Any benefits not paid at the end of the reporting period are recognised as a current liability – benefits payable.

Divorce orders

Divorce orders are recognised in the Statement of Changes in Net Assets and Funds upon notification of the divorce order by the non-member spouse. The divorce order is measured in accordance with the divorce order decree and requirements of the Income Tax Act

Monthly pensions

Pensions are measured in terms of the Rules of the Fund. Monthly pension payments are recognised as an expense when they are due and payable in terms of the Rules of the Fund. Any pensions not paid at the end of the reporting period are recognised as a current liability – benefits payable.

Contingent liabilities

A contingent liability is not recognised in the Statement of Net Assets and Funds, but rather disclosed in the notes to the annual financial statements, unless the possibility of an outflow of economic benefits is remote. Contingent liabilities are assessed continually to determine whether an outflow of economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the annual financial statements of the period in which the change in probability occurs.

Investment income

Dividends

Dividend income is recognised in the Statement of Changes in Net Assets and Funds when the right to receive payment is established – this is the last date to trade for equity securities. For financial assets designated at fair value through the Statement of Changes in Net Assets and Funds, the dividend income forms part of the fair value adjustment.

Interest

Interest income in respect of financial assets held at amortised cost is accounted for in the Statement of Changes in Net Assets and Funds using the effective interest rate method.

Collective investment schemes' distribution

Distributions from collective investment schemes are recognised in the Statement of Changes in Net Assets and Fund when the right to receive payment is established.

Insurance policy income

Insurance policy income is recognised in the Statement of Changes in Net Assets and Funds when the right to receive payment is established.

Adjustment to fair value

Gains or losses arising from changes in the fair value of 'financial assets at fair value through the Statement of Changes in Net Assets and Funds' are presented in the Statement of Changes in Net Assets and Funds in the period in which they arise.

Expenses incurred in managing investments

Expenses in respect of the management of investments are recognised as the service is rendered.

Administration expenses

Expenses incurred in the administration of the Fund are recognised in the Statement of Changes in Net Assets and Funds in the reporting period in which it occurred. An expense is recognised if it is probable that any future economic benefit associated with the item will flow from the Fund and the cost can be reliably measured. In the event that an expense has not yet been paid at the end of the reporting period, the liability will be reflected in the accounts payable note. If an expense has been paid in advance or has been overpaid, the asset will be disclosed in the accounts receivable note.

Accumulated funds

Accumulated funds consists of the defined members' accounts.

SCHEDULE HA
DURBAN PENSION FUND
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Notes to the Annual Financial Statements
For the period ended 31 December 2023

1. Investments
1.1. Investment summary

	Local R	Foreign R	Total current period R	Total previous period R	Fair value current period R
Fair value through Statement of Changes in Net Assets and Funds					
Cash	43 014 311	0	43 014 311	215 288 914	43 014 311
Commodities	3 279 081	0	3 279 081	0	3 279 081
Debt instruments including Islamic debt instruments	7 944 096 276	0	7 944 096 276	7 415 815 171	7 944 096 276
Equities (including demutualisation shares)	954 454 576	1 956 831	956 411 407	1 101 851 824	956 411 407
Insurance policies	817 796 799	0	817 796 799	828 779 351	817 796 799
Collective investment schemes	84 536 426	1 650 198 637	1 734 735 063	1 668 454 540	1 734 735 063
	9 847 177 469	**1 652 155 468**	**11 499 332 937**	**11 230 189 800**	**11 499 332 937**

2. Accounts receivable

	Current period R	Previous period R
Accrued investment income	87 249 038	77 353 625
Administration fees	31	16 943
Fidelity insurance prepaid	28 348	28 348
Income accruals		
Dividends	545 027	580 148
Unsettled investment transactions	526 373	134 030
	88 348 817	**78 113 094**

3. Contributions

	At beginning of period R	Towards retirement R	Contributions received R	At end of period R
Members contributions	**(205 669)**	**12 129 440**	**(12 129 440)**	**(205 669)**
Received and accrued	(205 669)	12 129 440	(12 129 440)	(205 669)
Employer contributions	**0**	**26 706 103**	**(26 706 103)**	**0**
Received and accrued	0	26 706 103	(26 706 103)	0
	(205 669)	**38 835 543**	**(38 835 543)**	**(205 669)**
Reported as:				
Contributions payable	(205 669)			(205 669)
	(205 669)			**(205 669)**
Movement on Statement of Changes in Net Assets and Funds				
Towards retirement				38 835 543
Contributions received and accrued				**38 835 543**

4. Reserve accounts

	Current period R	Previous period R
Risk reserve	9 722 000	12 389 000
Contribution Stabilisation Reserve account	53 865 000	52 836 000
Solvency Reserve	1 392 701 000	1 528 556 000
Employer Contribution Reserve Account	96 858 784	105 328 905
Pensioners Surplus Reserve Account	702 787 309	622 065 414
	2 255 934 093	**2 321 175 319**

Risk Reserve

	Current period R	Previous period R
Net investment income	1 116 000	101 000
Net income before funds and reserves	1 116 000	101 000
Funds and reserves		
Balance at beginning of period	12 389 000	16 713 000
	13 505 000	16 814 000
Transfer between reserve account/(s) and		
Accumulated funds/Member individual accounts		
New Pensioner liabilites	(3 783 000)	(4 425 000)
Balance at end of period	**9 722 000**	**12 389 000**

Contribution Stabilisation Reserve account

	Current period R	Previous period R
Contributions transferred from reserve accounts	(3 573 160)	(2 678 255)
Net investment income	4 602 160	326 255
Net income/(loss) before funds and reserves	1 029 000	(2 352 000)
Funds and reserves		
Balance at beginning of period	52 836 000	55 188 000
Balance at end of period	**53 865 000**	**52 836 000**

Solvency Reserve

	Current period R	Previous period R
Funds and reserves		
Balance at beginning of period	1 528 556 000	1 417 124 000
Transfer between reserve account and		
Accumulated funds/member individual accounts		
Actuarial adjustments	(135 855 000)	111 432 000
Balance at end of period	**1 392 701 000**	**1 528 556 000**

Employer Contribution Reserve Account

	Current period R	Previous period R
Net investment income	13 129 879	3 716 777
Net income before funds and reserves	13 129 879	3 716 777
Funds and reserves		
Balance at beginning of period	105 328 905	82 612 128
Transfer between reserve account and		
Accumulated funds/member individual accounts		
Actuarial adjustments	0	43 000 000
Transfer from Pensioner pool	(21 600 000)	(24 000 000)
Balance at end of period	**96 858 784**	**105 328 905**

Pensioners Surplus Reserve Account

	Current period R	Previous period R
Net investment income	101 698 504	8 638 036
Net income before funds and reserves	101 698 504	8 638 036
Funds and reserves		
Balance at beginning of period	622 065 414	546 938 155
Transfer between reserve account and		
Accumulated funds/member individual accounts		
Actuarial adjustments	0	75 000 000
Transfer from Pensioner pool	(54 476 609)	(46 571 432)
New Pensioner liabilities	33 500 000	38 060 655
Balance at end of period	**702 787 309**	**622 065 414**

5. Employer surplus account

	Current period R	Previous period R
At the beginning of period	15 663 000	7 814 000
Surplus apportionment	21 600 000	24 000 000
Net investment return	1 563 824	83 000
Less:		
Utilised towards:		
Contributions transferred from surplus accounts	18 156 824	16 234 000
At end of period	**20 670 000**	**15 663 000**

6. Unclaimed benefits

	Current period R	Previous period R
At the beginning of the period	9 974 285	0
Transferred from benefits payable	1 491 648	9 974 285
Net investment return	1 188 234	0
Less:		
Benefits paid	819 168	0
At end of period	**11 834 999**	**9 974 285**

7. Transfers to other funds

	Effective date	No. of members	At beginning of period R	Transfers approved R	Net investment return R	Assets transferred and paid R	At end of period R
Total transfers in terms of Section 14		**4**	**0**	**16 332 191**	**684 890**	**(17 017 081)**	**0**
KZN Municipal Pension Fund	01/01/2023	2	0	10 074 305	485 489	(10 559 794)	0
KZN Municipal Pension Fund	01/01/2022	2	0	6 257 886	199 401	(6 457 287)	0
			0	**16 332 191**	**684 890**	**(17 017 081)**	**0**

Movement on Statement of Changes in Net Assets and Funds

Transfers approved	16 332 191
Net investment return	684 890
Transfers to other funds	**17 017 081**

8. Benefits

	At beginning of period R	Benefits for current period R	Net investment return R	Payments R	Transferred to unclaimed benefits R	At end of period R
Post retirement	**0**	**745 595 144**	**0**	**(745 595 144)**	**0**	**0**
Monthly pensions	0	745 595 144	0	(745 595 144)	0	0
On retirement	**3 330 377**	**68 039 027**	**375 525**	**(61 471 071)**	**0**	**10 273 858**
Lump sums on retirement						
Full benefit	3 330 377	68 039 027	375 525	(61 471 071)	0	10 273 858
Pre-retirement	**5 487 314**	**48 087 709**	**1 326 174**	**(45 818 089)**	**0**	**9 083 108**
Lump sums before retirement						
Death benefits	5 337 880	6 252 748	694 967	(4 167 850)	0	8 117 745
Withdrawal benefits	149 434	41 834 961	631 207	(41 650 239)	0	965 363
Other	**6 677 627**	**2 096 693**	**511 476**	**(3 452 517)**	**(1 491 648)**	**4 341 631**
Divorce orders	0	2 096 693	0	(2 096 693)	0	0
Trust Account	6 677 627	0	511 476	(1 355 824)	(1 491 648)	4 341 631
	15 495 318	**863 818 573**	**2 213 175**	**(856 336 821)**	**(1 491 648)**	**23 698 597**

Movement on Statement of Changes in Net Assets and Funds

Benefits awarded	863 818 573
Net investment return	2 213 175
Benefits	**866 031 748**

9. Accounts payable

	Current period R	Previous period R
Auditor's remuneration	313 030	295 320
Board of Fund expenses	12 002	0
Deputy principal officer expenses	49 686	0
Investment advisor fees	115 000	230 000
Principal officer expenses	56 484	0
Unsettled trades	263 010	0
	809 212	**525 320**

10. Net investment income

	Current period R	Previous period R
Fair value adjustments	1 142 655 089	282 576 532
Interest received	6 082 277	3 097 119
Interest on late payment of contributions	0	10 901
Less:		
Expenses incurred in managing investments		
Investment administrators' fees	20 306 681	26 938 871
Investment advisors' fees	1 479 360	1 655 948
	1 126 951 325	**257 089 733**

11. Other income

	Current period R	Previous period R
eThekwini Municipality	6 747 119	7 582 565
Steinoff claim refund	435 650	0
	7 182 769	**7 582 565**

Steinhoff claim

During the current period proceeds have been received for Steinhoff claims.

12. Administration expenses

	Notes	Current period R	Previous period R
Actuarial fees		1 056 362	988 455
Administration fees		380 676	358 677
Administration fees on pensioners and suspended pensioners		4 271 635	4 132 919
Audit fees		315 330	297 620
Bank charges		2 557	3 750
Board of Fund expenses	**12.1**	622 805	258 061
Death investigation fee		39 251	97 304
Deputy principal officer expenses		502 337	0
Fidelity cover		170 085	170 085
Financial Sector Conduct Authority levies		197 418	179 148
Municipal Retirement Organisation Levy		175 954	0
Principal Officer expenses	**12.2**	692 483	859 740
Secretarial fees		678 216	638 990
Tracing expenses		2 200	0
		9 107 309	**7 984 749**

12.1 Board of Fund expenses

	Current period R	Previous period R
Expenses	622 805	258 061
	622 805	**258 061**

Board of Fund expenses

Board of Fund expenses relates to meeting, travelling reimbursement and conference costs.

12.2 Principal Officer expenses

	Current period R	Previous period R
Remuneration	692 483	859 740
	692 483	**859 740**

13. Risk management

The Board of the Fund has overall responsibility for the establishment and oversight of the Fund's risk management policies.

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

The Fund has exposure to the following risks from its use of financial instruments:

- Market risk, including currency risk, interest rate risk and price risk
- Credit risk
- Liquidity risk
- Operational risk
- Solvency Risk

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: Currency risk, interest rate risk and price risk.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate, in Rands, because of changes in foreign exchange rates. The Fund monitors currency risk in line with Regulation 28, the limits set out in terms of the South African Reserve Bank as well as in terms of the investment policy of the Fund.

The Fund monitors currency risk in line with Regulation 28, the limits set out in terms of the South African Reserve Bank as well as in terms of the investment policy of the Fund.

The Fund invests indirectly in securities and other investments that are denominated in foreign currencies. Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will be subject to foreign exchange risk.The Fund's policy is to limit its exposure to foreign and African investments to 30% and 10% of net assets respectively to comply with the Pension Funds Act requirements.

Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in the interest rate. Interest rate risk is limited to interest bearing financial instruments that are accounted for at amortised cost.

Interest rate risk associated with the interest linked instruments included in the linked insurance policies and non-linked insurance policies are managed by the asset administrator according to the investment mandate and the risk management policy of the Fund. The investment administrator report on an annual basis on the steps taken to identify and manage the risk.

The Employer surplus account is invested in the Ninety One South Africa Proprietary Limited, Allan Gray South Africa Proprietary Limited, Coronation Asset Management Proprietary Limited and Futuregrowth Asset Management Proprietary Limited to minimise the fluctuation in cash flows associated with the changes in 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 (other than those arising from interest rate risk or currency risk), 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 Board of Fund identifies the risk during the process of setting the investment strategy. The issues considered by the Board of Fund in setting the investment strategy are documented in the investment policy document and actioned accordingly by the appointed investment administrators. The investment manager reports on an annual basis on how the risk was identified and managed. The investment strategy of the Fund for the investment in equities and other market price related instruments complies with the Regulation 28 limit for the investment in equities and other market price related instruments.

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. Credit risk can arise when the investments of the Fund are exposed to contractual agreements, whether reflected on or off the Statement of Net Assets and Funds. Credit risk can also arise when the Fund has the right off-set or to settle net in respect of certain assets and liabilities but does not intend to do so.

All derivative instruments are in line with the investment mandate of the Fund, and the performance and credit risk of the derivative is reviewed by the investment administrators on a regular basis.

The Fund's assets are only invested through compliant regulated investment administrators. The Fund's investment mandate stipulates that the investment administrator should monitor the risks associated with the Fund's investments on a regular basis.

The Fund makes use of an investment advisor who ensures that the Fund only invests in well-researched institutions with an acceptable risk rating.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with financial instruments. According to Investment mandate, the Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests as specified in the Rules of the Fund.

Cash flows are prepared on a monthly basis and the Board of Fund closely monitors the cash flow requirements. Bank reconciliations are performed on a monthly basis by the Fund's administrator. Money is invested and disinvested as and when the need arises.

Solvency risk

Solvency risk is the risk that the investment returns on assets will not be sufficient to meet the Fund's contractual obligation to members and is concerned with the stability of the contributions and the security of the Fund. Solvency risk also relates to the inability of the Fund to pay its debts in full and to not being able to cover losses regardless of the source, type or size of the losses.

In terms of the Pension Funds Act, statutory valuations are performed every three years and financial reviews are performed annually. The actuary assesses the financial position of the Fund at each of these intervals and recommends the required contribution rate to ensure that the Fund remains in a sound financial position.

The outsourced investment administrators ensure that the Fund's assets are invested within the parameters of the Fund's investment mandate and in investment portfolio's with acceptable risk, to ensure that the assets will be sufficient to meet the Fund's contractual obligations.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Fund's activities and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

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 and complies with all legislation, regulations and contracts. The responsibility lies with the Board of Fund predominantly as well as with the Fund's service providers where agreed to.

Details of the Fund's Risk Management Policy are available for inspection at the registered office of the Fund.

14. Related party transactions

Related party	Relationship/Description	Current Period Transactions R	Current Period Balance R	Previous Period Transactions R	Previous Period Balance R
Board member expenses	Board member	1 301 096	61 688	258 061	0
Participating Employer	Contributions in the Fund	29 102 657	0	33 290 845	0
Participating Employer	Contribution funded from employer surplus account	5 507 000	20 670 000	7 849 000	15 663 000
Participating Employer	Refund of Council Pension paid	7 182 769	0	7 582 565	0
Principal officer fees	Principal officer fees	692 483	0	859 740	0

SCHEDULE HB
DURBAN PENSION FUND
Registration number: 12/8/32435

Report of the valuator
For the period ended 31 December 2023

Effective date of the last statutory actuarial valuation: 1 January 2022

Particulars of financial condition of the fund

1. Net assets available for benefits: R 11 821 757 000

2. The actuarial value of the net assets available for benefits, for the purposes of comparison with the actuarial present value of promised retirement benefits: R 11 821 757 000

3. Actuarial present value of promised retirement benefits at the valuation date.

Accrued benefits	R	8 537 368 000

4. Contingency reserve account balances at the valuation date:

Contingency reserve accounts	R	709 265 000
Solvency reserve	R	1 528 556 000
Total	R	2 237 8210 000

5. Details of the valuation method adopted (including that in respect of any contingency reserves) and details of any changes since the previous summary of report:

The active member liability was determined using the projected unit method, under which the present value of benefits accrued to members in respect of service prior to the valuation date is compared with the value of the fund's assets. Allowance is made in the valuation of the accrued benefits for estimated future salary increases. The same funding method was used at the previous statutory valuation.

The solvency reserve is the difference between the accrued liabilities on the best-estimate basis and on the solvency basis, again using the projected unit method.

6. Details of the actuarial basis adopted and changes since the previous summary of report:

Assumption	Previous basis 1 January 2019	Best estimate basis 1 January 2022
Pre-retirement interest rate	11.10% p.a.	10.61% p.a.
Salary increases	6.87% plus merit salary scale	7.23% plus merit salary scale
Post-retirement interest rate	4.46% p.a.	3.59% p.a.
Pre-retirement mortality	Fund experience	Fund experience
Post-retirement mortality	a(m) and a(f) tables with allowance for future improvements	a(m) and a(f) tables with allowance for future improvements
Withdrawals	Fund specific scale	Fund specific scale
In-service marriage assumption	100%	100%
Age differential – active members and pensioners	Males 5 years older than females	Males 5 years older than females

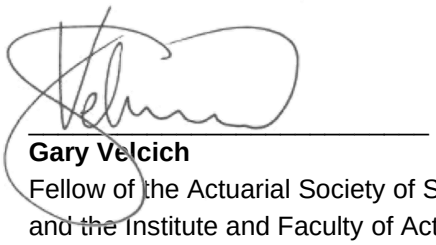
Other demographic assumptions are contained in the full report.

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

None.

8. A statement as to whether the fund was in a sound financial condition for the purposes of the Pension Funds Act.

I certify that as at 1 January 2022 the actuarial value of the net assets available for benefits of the Durban Pension Fund were sufficient to cover, in full, the actuarial present value of promised retirement benefits, the surplus account balances and the contingency reserve account balances.



Gary Velcich
Fellow of the Actuarial Society of South Africa
and the Institute and Faculty of Actuaries in my capacity as
valuator of the Fund and as employee of
Alexander Forbes Financial Services.

Cape Town
12 January 2024

SCHEDULE I
DURBAN PENSION FUND
Registration number: 12/8/32435
Report of the Independent Auditors to the Board of Fund and the Financial Sector Conduct Authority and Schedules to the Annual Financial Statements
For the period ended 31 December 2023

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SCHEDULE I

INDEPENDENT AUDITOR'S AGREED-UPON PROCEDURES REPORT TO THE BOARD OF FUND AND THE FINANCIAL SECTOR CONDUCT AUTHORITY IN RESPECT OF THE AUDITED ANNUAL FINANCIAL STATEMENTS AND OTHER SPECIFIED INFORMATION IN THE GENERAL LEDGER AND MANAGEMENT INFORMATION COMPRISING THE ACCOUNTING RECORDS (THE "SUBJECT MATTER") OF DURBAN PENSION FUND ("THE FUND") FOR THE YEAR ENDED 31 DECEMBER 2023

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report on the Subject Matter is provided in accordance with Section 15(1) of the Pension Funds Act, No. 24 of 1956 of South Africa (the "Act"), solely for the purpose of assisting the Financial Sector Conduct Authority (the "Authority") and Board of Fund in evaluating whether there are any instances of non-compliance with the requirements of the specified sections of the Act, Regulations of the Act, 1962 and the registered Rules of the Fund during the year ended 31 December 2023, and may not be suitable for another purpose. This report is intended solely for the Board of Fund and the Authority and should not be used by, or distributed to, any other parties.

Responsibilities of the Board of Fund and the Authority

The Board of Fund and the Authority have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Board of Fund is responsible for the subject matter on which the agreed-upon procedures are performed.

Auditor's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised*), Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves us performing the procedures that have been agreed with the Board of Fund and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

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

Professional Ethics and Quality Management

We have complied with the ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code). The IRBA Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour; and it is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards*). For the purpose of this engagement, there are no independence requirements with which we are required to comply.

The firm applies the International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685
Chief Executive Officer: LD Mokoena

A full list of all company directors is available on www.bdo.co.za

The company's principal place of business is at The Wanderers Office Park, 52 Corlett Drive, Illovo, Johannesburg where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Procedures and Findings

We have performed the procedures described in the table below, which were agreed upon with the Board of Fund in respect of the audited annual financial statements and other specified information in the general ledger and management information comprising the accounting records of the Fund for the year ended 31 December 2023.

Unless otherwise indicated, all balances, lists, schedules and other relevant documents referred to in the table below relate to the accounts/balances reflected in the audited annual financial statements of the Fund for the year ended 31 December 2023.

Sample size and selection criteria

Unless *otherwise stated in the procedure, the sample should be selected as follows:*
Sort the list by member number or other numerical identifier, if no member number is applicable, and divide the total number of items on the list by the number of items to be selected, to obtain the variable rounded off to the nearest whole number (the "nth item"). Select a sample starting from the first to the nearest nth item on the list, then select every nth item until the required sample size is reached.

	Procedures	Findings
	Statement of Net Assets and Funds	
1.	**Investments**	
1.1	Obtain a list of all investments as at 31 December 2023 from the Fund administrator and agree the total investment balance per the list to the amount reflected in the Statement of Net Assets and Funds per the audited annual financial statements as at 31 December 2023 and note any differences.	We obtained a list of investments as at 31 December 2023 from the Fund administrator and agreed the total investment balance per the list to the amount reflected in the Statement of Net Assets and Funds per the annual financial statements as at 31 December 2023.
1.1.1	a) Obtain external confirmations of all investment balances, per the list of investments obtained in procedure 1.1, from the investment managers as at 31 December 2023. Where the auditor is unable to obtain these external confirmations, note this fact. b) For external confirmations that are in a foreign currency, obtain the exchange rate(s) applied by the [Fund/Fund administrator] to translate the investment value to South African rands (ZAR) from the Fund administrator and recalculate the ZAR value using the exchange rate. Agree the recalculated values to the investment balances as per the list of investments obtained in procedure 1.1 and note any differences. c) For external confirmations, that are in ZAR agree the values of the investments per the external confirmations obtained to the investment balances as per the list of investments obtained in procedure 1.1 and note any differences.	a) We obtained external confirmations of all investment balances, per the list of investments obtained in procedure 1.1, from the investment managers as at 31 December 2023. b) Not applicable. c) For external confirmations that are in ZAR, we agreed the values of the investments per the external confirmations obtained to the investment balances as per the list of investments obtained in procedure 1.1.
1.1.2	From the list of investments obtained in procedure 1.1, by inspection of the list or inquiry with the Fund administrator, note new investments made during the year ended 31 December 2023. Select a sample of 10 of the largest value new investments (if there are less than 10 new investments, select all) from the list of investments obtained in procedure 1.1, and perform the following procedures:	We inspected the list obtained in procedure 1.1, or inquired with the Fund administrator, and noted no new investments made during the year ended 31 December 2023.
1.1.2.1	Inquire from the Fund Administrator the date on which the investment policy statement of the Fund was last reviewed/approved by the Board of Fund. Note the date.	We inquired from the Fund Administrator and noted that the investment policy statement of the Fund was last approved by the Board of Fund 29 May 2023.
1.1.2.2	Obtain the latest approved policy statement from the Fund Administrator. Inspect the investment policy statement and document the different categories of investments that are within the scope of the investment policy statement.	We obtained the latest approved policy statement from the Principal Officer. We inspected the investment policy statement from the Principal Officer and the different categories of investments within the scope of the investment policy statement are as follows: • Collective investment schemes • Insurance policies • Segregated portfolios
1.1.2.3	Inspect the investment note 2 of the audited annual financial statements for the year ended 31 December 2023 and document the categories of investments that the Fund has invested in.	We inspected the investment note 2 of the audited annual financial statements for the year 31 December 2023 and the categories of investments that the Fund has invested in are as follows: • Collective investment schemes • Insurance policies • Segregated portfolios
1.1.2.4	Compare the categories documented in procedure 1.1.2.2 with the categories documented in procedure 1.1.2.3 and note the instances where the investment categories per the audited annual financial statements do not agree to the investment policy statement.	We compared the categories documented in procedure 1.1.2.2 with the categories documented in procedure 1.1.2.3 and noted no instances where the investment categories per the audited annual financial statements do not agree with the investment policy statement.

	Procedures	Findings
1.2.1	Calculate the total value of direct investments held by the Fund in the participating employer as reflected in the investment note 1 of the audited annual financial statements, as a percentage of the total assets reflected in the Statement of Net Assets and Funds per the audited annual financial statements, and note the calculated percentage.	Not applicable. We noted no direct investments held in participating employers disclosed in the investment note 1 of the audited annual financial statements.
1.2.2	Where the calculated percentage in procedure 1.2.1 exceeds 5%, obtain from the Fund administrator the exemption letter received by the Fund from the Authority for these investments. Note the date of the exemption letter; alternatively, note if no exemption letter could be obtained.	Not applicable.
1.3	**Section 19(5B) Investments** Inquire from the Principal Officer about the matters specified below, as they relate to the year ended 31 December 2023 and note the following: i. Any loans or guarantees have been granted to a member of the Fund other than for the purposes of Section 19(5); and ii. Any loans have been granted to and investments were made in the shares of the following: a. A company controlled by an officer or a member of the fund or a director of a company which is an employer participating in the scheme or arrangement whereby the fund has been established; or b. A subsidiary (as defined in the Companies Act) of such a first-mentioned company. Where loans of this nature have been granted, note the following details of the loans granted: date, amounts and name of the borrower.	We inquired from the Principal Officer about the matters specified below, as they relate to the year ended 31 December 2023. Based on our inquiries performed, we noted the following: i. There were no loans or guarantees granted to a member of the Fund other than for the purposes of Section 19(5); and ii. There were no loans granted to and investments made in the shares of the following: a. A company controlled by an officer or a member of the fund or a director of a company which is an employer participating in the scheme or arrangement whereby the fund has been established; or b. A subsidiary (as defined in the Companies Act) of such a first-mentioned company.
1.4	**Section 19(5D) Investments** Inquire from the Principal Officer about the matters specified below as they relate to the year ended 31 December 2023 and document the responses obtained: a. The Fund, directly or indirectly, acquired or held shares or any other financial interest in another entity at year-end, which resulted in the Fund exercising control over that entity, without obtaining the prior approval from the Authority; and b. The approval referred to in paragraph (a) was given, subject to any conditions, and note these conditions.	We inquired from the Principal Officer about the matters specified below as they relate to the year ended 31 December 2023. Based on our inquiries performed, the following responses were obtained: a. The Fund has not acquired or held any shares or financial interest in another entity which results in the exercising of control. b. Not applicable.
2.	**Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds)**	
2.1	Obtain a list of the member individual accounts for defined contribution members (including contributing, paid-up and deferred members) as at 31 December 2023 and as at 1 January 2023 from the Fund administrator, and perform procedure 2.3:	Not applicable, as the Fund is a defined benefit Fund.
2.2	Obtain a reconciliation of the total value of the list of member individual accounts as at 31 December 2023 obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as at 31 December 2023 from the Fund administrator. Note the reconciling items.	Not applicable.

	Procedures	Findings
2.3	Select a sample of the lesser of 25 or 10% of the number of members from the list of members at the end of the year obtained in procedure 2.1 (selected based on the selection criteria provided above) and perform the following procedures for each member selected and for each of the following three months selected, based on the sample selection criteria described below: • January 2023; • February 2023; and • December 2023. A random sample was selected for two months from January 2023 to November 2023, using audit software IDEA. December 2023 was selected as the last month for testing as the last month of the current period.	Not applicable.
2.3.1	Obtain a list of the member and employer contributions received and allocated for the respective months from the Fund administration system, by accessing the administration system and extracting this list, or by obtaining this list from the Fund administrator and perform procedure 2.3.3.	Not applicable.
2.3.2	Obtain the remittance advice supplied by the participating employers to the Fund administrator for the respective months, and perform procedure 2.3.3.	Not applicable.
2.3.3	Agree the member and employer contributions per the list obtained in procedure 2.3.1 with the member and employer contributions per the documents obtained in procedure 2.3.2 and note any differences.	Not applicable.
2.4	Obtain the registered rules of the Fund from the Fund administrator and perform the procedure below.	Not applicable.
2.4.1	Calculate the member and employer contribution rates for each member selected in procedure 2.3 by dividing the contribution obtained in 2.3.1 by the salary per the remittance advice obtained in procedure 2.3.2. Agree the calculated member and employer contribution rates to the rate per the rules of the Fund obtained in procedure 2.4. Note any differences.	Not applicable.
2.5	Inquire from the Fund administrator whether the Fund is a unitised or non-unitised fund, and note the type of fund.	Not applicable.
2.5.1	**If the fund is a unitised fund, as noted in procedure 2.5:** For the sample of members selected in procedure 2.3, perform the following procedures:	Not applicable.
2.5.1.1	Recalculate the units allocated to the member for the specific month, as per the fund administration system, by dividing the contributions by the unit price using both inputs as per the administration system on the dates that the contributions were unitised. Agree the recalculated units to the units allocated to the member for the specific month, as per the fund administration system. Note any differences.	Not applicable.
2.5.1.2	Obtain an external confirmation of the unit prices from the investment managers throughout the year ended 31 December 2023.	Not applicable.
2.5.1.3	Agree the unit price per the administration system in 2.5.1.1 to the unit price per the external confirmation in 2.5.1.2, and note any differences.	Not applicable.
2.5.1.4	Recalculate the member's fund credit as at 31 December 2023 by multiplying the number of units with the unit price, using both inputs as per the administration system. Agree the recalculated amount to the member's fund credit per the listing obtained in procedure 2.1, and note any differences.	Not applicable.

	Procedures	Findings
2.5.1.5	Agree the 31 December 2023 unit price as per the administration system used in procedure 2.5.1.1 to the unit price obtained from the investment manager in procedure 2.5.1.2, and note any differences.	Not applicable.
2.5.2	**If the fund is a non-unitised fund, as noted in procedure 2.5,** for the sample of members selected in procedure 2.3, perform the following procedures:	Not applicable.
2.5.2.1	Obtain the resolution of the Board of Fund that indicates the rate of investment returns to be allocated to members from the Fund administrator.	Not applicable.
2.5.2.2	Inquire from the Fund administrator about how the investment returns as per the resolution of the Board of Fund obtained in procedure 2.5.2.1 are allocated to the members of the Fund.	Not applicable.
2.5.2.3	Recalculate the member's closing fund credit as at 31 December 2023 by: ● Taking the member's opening fund credit from the opening listing obtained in procedure 2.1. ● Adding the contributions allocated as per the administration system; and ● Adding/subtracting the returns allocated to the member as calculated using the basis provided by Fund administrator obtained in procedure 2.5.2.2. ● Agree the recalculated amount to the member's fund credit per the closing listing obtained in procedure 2.1 and note any differences.	Not applicable.
2.6	**Switches** Obtain a list from the Fund administrator of the members who switched investment portfolios during the year-end (including Lifestage switches). Select a sample of the lesser of 25 or 10% of the members who switched between investment portfolios during the year (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable.
2.6.1	Obtain the service level agreement between the administrator and the Fund from the Fund administrator and note the following terms: ● Days indicated to process a member-elected switch. ● Timing to effect a Lifestage switch. ● Fees deductible from the member individual accounts to process a switch.	Not applicable.
2.6.2	**Member-elected switches** For member-elected switches included in the sample selected in procedure 2.6, obtain the member's instruction to switch investment portfolios from the Fund administrator, and perform the following procedures:	**Member-elected switches** Not applicable.
2.6.2.1	Inspect the member's instruction for details of the required switch and note the following details per the instruction: ● Date of receipt of the member's instruction by the Fund administrator; ● Effective date of the switch; and ● Investment portfolio to be switched into.	Not applicable.
2.6.2.2	Inspect the member's fund credit transactions from the administration system obtained from the Fund administrator and note the following details about the switch: ● Date when the switch was processed by the Fund administrator; ● Effective date of the switch; and ● Investment portfolios switched into.	Not applicable.

	Procedures	Findings
2.6.2.3	Agree the effective date of the switch and the investment portfolios switched into, as noted in procedure 2.6.2.1, to the effective date of the switch and the investment portfolios switched into and noted in procedure 2.6.2.2, and note any exceptions with regard to the date of switch and/or the portfolios switched.	Not applicable.
2.6.2.4	Calculate the number of days taken to process the switch, using the following: ● Date of receipt of the member's instruction by the Fund administrator noted in procedure 2.6.2.1. ● Date when the switch was processed by the Fund administrator noted in procedure 2.6.2.2.	Not applicable.
2.6.2.5	Agree the number of days taken to process the switch, per 2.6.2.4, with the number of days per the terms per the service level agreement in 2.6.1. Note any difference in timing where the number of days taken to process the switch is greater than the terms per the service level agreement.	Not applicable.
2.6.3	**Lifestage switches** Obtain the Fund's Lifestage investment strategy from the Fund administrator.	**Lifestage switches** Not applicable.
2.6.3.1	For Lifestage switches included in the sample selected in procedure 2.6, perform the following procedures:	Not applicable.
2.6.3.2	Inspect the member's fund credit transactions on the administration system obtained from the Fund administrator and note the following details about the Lifestage switch: ● Date when the Lifestage switch was processed by the Fund administrator; and ● Investment portfolios switched into.	Not applicable.
2.6.3.3	Agree the investment portfolios switched into and noted in procedure 2.6.3.2 to the Fund's Lifestage investment strategy obtained in procedure 2.6.3.	Not applicable.
2.6.3.4	Agree the timing of the Lifestage switch per 2.6.3.2 with the terms per the service level agreement in 2.6.1. Note any difference in timing.	Not applicable.
2.6.4	For all switches selected in procedure 2.6, inspect the member's record on the administration system for fees deducted for switches, and agree the fees deducted to the fee due in terms of the service level agreement (obtained in procedure 2.6.1). Note any differences.	Not applicable.
2.7	Obtain the Asset Liability Match ("ALM") reconciliation per investment portfolio as at 31 December 2023, from the Fund administrator and perform the following procedures:	Not applicable.
2.7.1	Obtain a reconciliation of the total investment balance per investment portfolio, as reflected on the ALM reconciliation, to the total balance per the list of investments obtained in procedure 1.1 from the Fund administrator. Note any reconciling items.	Not applicable.
2.7.2	Obtain a reconciliation of the total member individual accounts value per investment portfolio, as reflected on the ALM reconciliation, to the total member individual accounts value as per the listing obtained in procedure 2.1. from the Fund administrator. Note any reconciling items.	Not applicable.
2.7.3	Inspect the total difference between assets and liabilities reflected on the ALM and note whether the variance is larger than 2% of total assets of the Fund per the Statement of Net Assets and Funds.	Not applicable.

	Procedures	Findings
3	**Accumulated funds (for defined benefit funds as well as defined benefit sections of hybrid funds)**	
3.1	Obtain a list of defined benefit members as at 31 December 2023 from the Fund administrator and perform the following procedures:	We obtained a list of defined benefit members as at 31 December 2023 from the Fund administrator and performed the following procedures:
3.2	Select a sample of the lesser of 25 or 10% of the number of defined benefit members at 31 December 2023 from the list of members provided by the Fund administrator (selected based on the selection criteria provided above). Perform the following procedures for each member, for each of the following three months: • January 2023; • February 2023; and • December 2023. A random sample was selected for two months from January 2023 to November 2023, using audit software IDEA. December 2023 was selected as the last month for testing as the last month of the current period.	We selected a sample of 50 defined benefit members at 31 December 2023 from the list of members provided by the Fund administrator for the following three months: • January 2023; • February 2023; and • December 2023. A random sample was selected for two months from January 2023 to November 2023, using audit software IDEA. December 2023 was selected as the last month for testing as the last month of the current period. We performed the following procedures for each member and month selected.
3.2.1	Obtain a list of the member contributions received and allocated for the respective months on the administration system from the Fund administrator.	We obtained a list of the member contributions received and allocated for the respective months on the administration system from the Fund administrator.
3.2.2	Obtain the remittance advice supplied by the participating employers to the Fund administrator for the respective months.	We obtained the remittance advice supplied by the participating employers to the Fund administrator for the respective months.
3.2.3	Agree the member contributions received and allocated as obtained in 3.2.1 with 3.2.2, and note any differences.	The member contributions received and allocated as obtained in 3.2.1 agreed with the member contributions obtained in 3.2.2.
3.2.4	Calculate the member contribution rates for each member selected by dividing the contribution by the salary per the remittance advice obtained in procedure 3.2.2. Agree the calculated member contribution rate(s) to the rate(s) noted in rule 4 obtained in procedure 2.4, and note any differences.	We calculated the member contribution rate for each member selected by dividing the contribution by the salary per the remittance advice obtained in procedure 3.2.2. The calculated member contribution rate agreed to the rate noted in rule 4 of the registered rules of the Fund obtained in procedure 2.4.
3.3	Inquire from the Fund administrator when the actuarial valuation of the Fund was last performed and approved by the Board of Fund. Note the date of the last valuation and when it was approved by the Board of Fund.	We inquired from the Fund administrator and noted that the actuarial valuation of the Fund was last performed as at 1 January 2022 and approved by the Board of Fund in December 2023.
3.4	Obtain the actuarial valuation report of the Fund from the Fund administrator and inspect the actuarial valuation report for the employer contribution rate recommended by the valuator. Note the employer contribution rate recommended by the actuary in the report.	We obtained the actuarial valuation report of the Fund from the Fund administrator. The employer contribution rate recommended by the valuator was 29.23%.
3.5	Calculate the employer contribution rates for each member selected by dividing the contribution obtained in 3.2.2 by the salary per the remittance advice obtained in procedure 3.2.2. Agree the calculated employer contribution rates to the rate per actuarial valuation report obtained in procedure 3.4. Note any differences.	We calculated the employer contribution rates for each member selected by dividing the contribution obtained in 3.2.2 by the salary per the remittance advice obtained in procedure 3.2.2. The calculated employer contribution rates agreed to the rate per actuarial valuation report obtained in procedure 3.4.
4	**Surplus apportionment in terms of Sections 15B and 15C (this will include reserve account distributions)**	
4.1	Inspect the latest actuarial valuation report obtained in procedure 3.4 for (a) Section(s) 15B and 15C surplus apportionment. If applicable, note the surplus apportionment amount/value.	Not applicable. We noted no Section(s) 15B and 15C surplus apportionment in the actuarial valuation report obtained in procedure 3.4.

	Procedures	Findings
4.1.1	If a surplus apportionment was recommended per the actuarial valuation report in procedure 4.1, obtain the minutes of meetings of the Board of Fund from Fund administrator and inspect for the approval of the Section 15B and 15C surplus.	Not applicable.
4.1.2	If a Section 15B surplus apportionment was recommended per the actuarial valuation report in procedure 4.1, obtain the approval of the Authority for the Section 15B surplus from the Fund administrator.	Not applicable. No Section 15B surplus apportionment was recommended by the actuary per the actuarial valuation report in procedure 4.1.
4.2	**Surplus apportionment allocation** Obtain a list of the approved surplus allocations to active and/or former members and/or pensioners in the current year noted in procedure 4.1, from the Fund administrator, and perform the following procedures:	Not applicable. No surplus allocations to active and/or former members and/or pensioners in the current year were noted in procedure 4.1.
4.2.1	**Active members:** Select a sample of the lesser of 25 or 10% of the number of active members to whom surplus has been allocated in the current year per the approved surplus apportionment listing obtained in procedure 4.2 (selected based on the selection criteria provided above) and perform the following procedures:	Not applicable. No surplus allocations to active members in the current year were noted in procedure 4.2.
4.2.1.1	Inspect the listing for the date of allocations to active members in the current year and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.	Not applicable.
4.2.1.2	Agree the surplus amount allocated as per the listing (including investment return) in the current year per member to the allocation on the member records per the administration system, and note any differences.	Not applicable.
4.2.2	**Former members and pensioners allocations:** Select a sample of the lesser of 25 or 10% of the number of former members and/or pensioners to whom surplus has been allocated in the current year per the approved surplus apportionment listing obtained in procedure 4.2 (selected based on the selection criteria provided above) and perform the following procedures:	Not applicable. No surplus allocations to former members and/or pensioners in the current year were noted in procedure 4.2.
4.2.2.1	Inspect the listing for the date of allocations to former members and pensioners in the current year and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.	Not applicable. No surplus allocations made to former members/pensioners in the current year were noted in procedure 4.2.
4.2.2.2	Agree the surplus amount allocated (including the investment return) in the current year per former member and/or pensioner to the allocation on the member records per the administration system and note any differences.	Not applicable.
4.2.3	In respect of Section 15B surplus apportionments noted in procedure 4.1, inquire from the Fund administrator whether the Fund has maintained the Section 15B surplus apportionment for former members who could not be traced in a contingency reserve account and note the response.	Not applicable. We noted no Section 15B surplus apportionments in procedure 4.1.
4.3	**Surplus apportionment payments:** Obtain a list of all surplus apportionment payments made to members during the year from the Fund administrator and select a sample of the lesser of 25 or 10% of the number of payments (selected based on the selection criteria provided above) and perform the following procedures:	Not applicable. No surplus apportionment payments were made to members during the year.
4.3.1	Agree the amount paid to the member as per the list of surplus apportionment payments obtained in procedure 4.3 to the member's record on the administration system and note any differences.	Not applicable.

	Procedures	Findings
4.3.2	Obtain the document(s) that indicating authorisation of the payment from the Fund administrator and agree the amount authorised to the amount paid as per the list of surplus apportionment payments obtained in procedure 4.3. Note any differences.	Not applicable.
5	**Member and employer surplus accounts**	
5.1	Obtain the analysis of the transactions in the member and/or employer surplus account (including debit and credit transactions) for the year as disclosed in the member and employer surplus note 5 to the audited annual financial statements from the Fund administrator, and perform the following procedures:	We obtained the analysis of the transactions in the member and/or employer surplus account (including debit and credit transactions) for the year as disclosed in the member and employer surplus note 5 to the audited annual financial statements from the Fund administrator, and performed the following procedures:
5.1.1	Inspect the registered rules of the Fund as obtained in procedure 2.4 and note the debit and credit transactions allowed in the member and employer surplus accounts listed in rule 17.8 & 17.9 of the registered rules.	We inspected the registered rules of the Fund as obtained in procedure 2.4 and noted the different debit and credit transactions allowed in the member and employer surplus accounts listed in rule 17.8 & 17.9 of the registered rules.
5.1.2	Compare the description of all of the debit and credit transactions allocated to the member and/or employer surplus accounts per the analysis obtained in procedure 5.1 to the categories of transactions that are permitted to be allocated to surplus accounts as noted in procedure 5.1.1. Note any exceptions.	We compared the description of all of the debit and credit transactions allocated to the member and/or employer surplus accounts per the analysis obtained in procedure 5.1 to the categories of transactions that are permitted to be allocated to surplus accounts as noted in procedure 5.1.1 above and found no exceptions.
6	**Reserves**	
6.1	Obtain a list of reserves and other related accounts (e.g. pensioner accounts) and the movements (including debit and credit transactions) per the reserves note 4 to the audited annual financial statements from the Fund administrator, and perform the following procedures:	We obtained a list of reserves and other related accounts (e.g. pensioner accounts) and the movements (including debit and credit transactions) per the reserves note 4 to the audited annual financial statements from the Fund administrator, and performed the following procedures:
6.1.1	Inspect the registered rules of the Fund obtained in procedure 2.4 and note the reserve and other related accounts (e.g. pensioner accounts) and the debit and credit transactions allowed in the reserves and other related accounts (e.g. pensioner accounts) listed in rule 17 of the registered rules.	We inspected the registered rules of the Fund obtained in procedure 2.4 and noted reserve and other related accounts (e.g. pensioner accounts) and the debit and credit transactions allowed in the reserve and other related accounts (e.g. pensioner accounts) listed rule 17 of the registered rules.
6.1.2	Compare the description of the reserve and other related accounts (e.g. pensioner accounts) held by the Fund, as reflected in the listing obtained in 6.1 above, to the categories of reserves and other related accounts that are permitted as noted in procedure 6.1.1. Note any exceptions.	We compared the description of the reserve and other related accounts (e.g. pensioner accounts) held by the Fund, as reflected in the listing obtained in 6.1 above, to the categories of reserve and other related accounts permitted as noted in procedure 6.1.1 and found no exceptions.
6.1.3	Compare the description of all the debit and credit transactions allocated to the reserve and other related accounts, as reflected in the listing obtained in procedure 6.1 above, to the categories of transactions that are permitted to be allocated to the reserves and other related accounts as noted in procedure 6.1.1. Note any exceptions.	We compared the description of all the debit and credit transactions allocated to the reserve and other related accounts, as reflected in the listing obtained in 6.1 above, to the categories of transactions that are permitted to be allocated to reserves and other related accounts as noted in procedure 6.1.1 and found no exceptions.
7	**Other assets, liabilities and guarantees**	
7.1	**Housing loans** Obtain a list of housing loans (comprising both new and previously issued loans) granted to members by the Fund in terms of Section 19(5) of the Act as at 31 December 2023 from the Fund administrator, and perform the following procedure:	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.1.1	Agree the total value of housing loans on the above list to the corresponding amount disclosed in the housing loans note to the audited annual financial statements. Note any differences.	Not applicable.

	Procedures	Findings
7.2	From the list in 7.1, select a sample of the lesser of 25 or 10% of the number of members' housing loans (sample to include a combination of new and previously issued loans and selected based on the selection criteria provided above), and perform the following procedures:	Not applicable.
7.2.1	For new housing loans issued, perform the following procedures:	Not applicable.
7.2.1.1	Obtain the home loan agreement from the Fund administrator and inspect the agreement for the loan amount and date of granting of the loan.	Not applicable.
7.2.1.2	Agree the home loan amount from the list in 7.1 to the actual loan amount from 7.2.1.1. Note any differences.	Not applicable.
7.2.1.3	Inspect the home loan agreement and/or the registered rules as obtained in procedure 2.4 for the maximum allowable percentage of member individual accounts as allowed in terms of rule 6.4 and/or the home loan agreement and note the percentage.	Not applicable.
7.2.1.4	Obtain the member individual account balance at the date of granting the loan from the Fund administrator. Divide the loan amount granted as noted in 7.2.1.1 with the member individual account balance at the date of granting the loan as noted in 7.2.1.1 and note where the percentage calculated exceeds the maximum allowable percentage noted in 7.2.1.3. Note any differences.	Not applicable.
7.2.2	For all loans selected in 7.2, inspect the member's home loan movement report from the administration system obtained from the Fund administrator for the interest rate(s) used and agree the rate(s) used to the prescribed rate(s) issued by the Authority on the Authority's website, and note any differences.	Not applicable.
7.2.3	Obtain the National Credit Act (NCA) registration certificate from the Fund administrator and/or inspect the NCA website for the Fund's name and registration number as evidence that the Fund is registered as a credit provider under the National Credit Act, 2005 ("the NCA").	Not applicable.
7.3	**Housing loan guarantees** Obtain the loan agreement between the Fund and the financial institution from the Fund administrator. Inspect the loan agreement and/or the registered rules as obtained in procedure 2.4 for the maximum allowable percentage of member individual accounts as allowed in terms of the rules and note the percentage.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.3.1	**Defined contribution funds** Obtain a list of all housing loan guarantee balances granted to members from the loan provider as at 31 December 2023 from the Fund administrator, and select a sample of the lesser of 25 or 10% of the number of housing loan guarantees (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable. The Fund is a defined benefit Fund.
7.3.2	Inspect the member's record on the administration system for a flagging of the housing loan guarantee being recorded against the member's name.	Not applicable.
7.3.3	Divide the loan amount granted, as noted on the listing in 7.3.1 above, with the member's individual account balance as per the listing in 2.1 and note where the percentage calculated exceeds the maximum allowable percentage noted in 7.3. Note any differences.	Not applicable.

	Procedures	Findings
7.4	**Defined benefit funds** Obtain a list of housing loan guarantees granted to defined benefit fund members from the loan provider as at 31 December 2023 from the Fund administrator, and select a sample of the lesser of 25 or 10% of the number of new housing loan guarantees issued in the current year (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable. The Fund does not grant housing loan guarantees to its defined benefit fund members.
7.4.1	Inspect the member's record on the administration system for a flagging of the housing loan guarantee being recorded against the member's name.	Not applicable.
7.4.2	Obtain the withdrawal benefit calculated by the Fund administrator as at the date of issuing of the guarantee, and perform the following procedure:	Not applicable
7.4.3	Recalculate the percentage by dividing the loan amount granted, as noted on the listing in procedure 7.4, with the amount noted on the withdrawal benefit noted in procedure 7.4.2 and note where the percentage calculated exceeds the maximum allowable percentage noted in procedure 7.3. Note any exceptions.	Not applicable.
	Statement of Changes in Net Assets and Funds	
8	**Contributions**	
8.1	Obtain a list of the number of pay points, from the Fund administrator, that reconciles to the contributions note 3 of the audited annual financial statements and select a sample of the lesser of 25 or 10% of the number of pay points (selected based on the selection criteria provided above), and for each pay point perform the following procedures for each of the three months selected under procedure 2.3 and/or 3.2:	We obtained a list of the number of pay points from the Fund administrator that reconciled to the contributions note 3 of the audited annual financial statements and selected all pay points, and performed the following procedures for the three months selected under procedure 2.3 and/or 3.2:
8.2	Agree the total amount of the list above to the general ledger account and note any differences.	The total amount of the list above agreed to the general ledger account.
8.3	For the pay points selected in procedure 8.1 above, obtain the bank statements from the Fund administrator and inspect the bank statements for a description/identification of the bank where the contributions were deposited, and perform the following procedures:	For the pay points selected in procedure 8.1 above, we obtained the bank statements from the Fund administrator and inspected the bank statements for a description/identification of the bank where the contributions were deposited, and performed the following procedures:
8.3.1	Agree the total contribution amount per the documentation received in procedure 2.3.2 and/or 3.2.2 to the total amount reflected on the bank statement obtained in procedure 8.3 and note any differences.	No instances were noted where the total contribution amount received did not agree to the amount per the bank statement.
8.3.2	Inspect the date of receipt of the contributions as per the bank statements obtained in procedure 8.3 and note the dates and number of contributions received after seven days of the following month. Note any exceptions.	No instances were noted where contributions were received after 7 days.
8.3.3	For the exceptions noted in 8.3.2 above (receipts after seven days), inquire from the Fund administrator whether Late Payment interest has been raised in terms of Regulation 33 of the Act.	Not applicable.
9.	**Benefits**	
9.1	Obtain a list from the administration system of lump sum benefits per exit type reflected as expenses in the Fund's Statement of Changes in Net Assets and Funds for 31 December 2023 from the Fund administrator, and perform the following procedure:	We obtained a list from the administration system of lump sum benefits per exit type reflected as expenses in the Fund's Statement of Changes in Net Assets and Funds for 31 December 2023 from the Fund administrator, and performed the following procedure:

	Procedures	Findings
9.1.1	Agree the list of lump sum benefits per exit type to the respective general ledger benefit expense accounts reconciliation prepared by the Fund administrator. Note any differences.	The list of lump sum benefits per exit type agreed to the respective general ledger benefit expense accounts reconciliation prepared by the Fund administrator.
9.2	Select a sample of the lesser of 25 or 10% of the total number of lump sum benefits (as per the selection criteria noted above) pro-rated on the number of exits per exit type from the list. Obtain the member statements from the administration system and perform the following procedures on the sample selected:	The following number of samples was selected per exit type, pro-rated on the number of exits: • Retirements – 4 • Withdrawals – 2 • Deaths – 1 • Divorce - 1 We obtained the member statements from the administration system and performed the following procedures on the sample selected:
9.2.1	For each selected benefit, compare the following fields: • gross benefit amount; • tax amount; • net benefit amount; • exit date; and • type of benefit to the administration system and the signed member exit form, SARS Tax Directives, benefit calculation, proof of banking and proof of payment determined by the procedures of the Fund. Note any differences. **Exit date**: i. Agree the exit date per the member's withdrawal form obtained from the Fund administrator to the exit date reflected on the administration system. Note any differences. **Tax amount:** i. Agree the tax amount related to the benefit per the Tax directive obtained from the Fund administrator ii. to the tax amount deducted as reflected on the administration system. Note any differences.	We compared each benefit selected to the administration system and the signed member exit form, SARS Tax Directives, benefit calculation, proof of banking and proof of payment in accordance with the procedures of the Fund for the following fields: • the gross benefit amount; • tax amount; • net benefit amount; • exit date; and • type of benefit. We noted no differences. **Exit date:** i. The exit date as reflected on the member's withdrawal form obtained from the Fund administrator agreed to the exit date reflected on the administration system. **Tax amount**: The tax amount related to the benefit per the tax directive obtained from the Fund administrator and agreed to the tax amount deducted as reflected on the administration system.
9.2.2	• For death benefits, and where applicable, disability benefits, where a portion of the benefit had been reinsured by the Fund (reinsurance proceeds): ○ Note the portion of the benefit that had been reinsured as reflected on the administration system. ○ Obtain a copy of the confirmation letter from the insurer which reflects the amount of the benefit from the Fund administrator. ○ Recalculate the reinsurance proceed amount by multiplying the member's latest salary with the factor both that can be obtained from the member's record on the administration system and compare the recalculated amount with the amount on the confirmation letter, and note any differences. ○ Obtain a listing of reinsurance proceeds, reflecting all proceeds received per death benefit for the year/year, from the Fund administrator and agree the amount per the confirmation letter obtained above to the listing, and note any exceptions.	Not applicable. The Fund does not have risk benefits.

	Procedures	Findings
9.2.3	**For a defined benefit fund and hybrid funds with a defined benefit underpin:** Obtain the gross benefit as calculated by the Fund Actuary from the Fund administrator. Agree the gross benefit amount from 9.2.1 to the gross benefit from the calculation obtained. Note any differences. **For a defined contribution fund:** For members who were active during the year/year ended, perform the following procedures: i. Obtain the opening fund credit amount as at the beginning of the year/year from the member record on the administration system. ii. Inspect the member record on the administration system to confirm that monthly contributions were added, for the year up to the date of exit as per 9.2.1. Note any exceptions. iii. Obtain the bank statements reflecting the benefit payment(s) from the Fund administrator and agree the net benefit amount(s) as per procedure 9.2.1 to the bank statements, and note any differences. iv Inquire with the Fund administrator about the nature of any differences noted in iii and detail the responses provided (e.g. interest, where applicable). **For members who were paid up and/or deferred:** i. Obtain the opening fund credit amount as at the beginning of the year/year from the member record on the administration system. ii. Inspect the member record on the administration system to confirm that interest was added, for the year up to the date of exit as per 9.2.1. Note any exceptions. iii. Obtain the bank statements reflecting the benefit payment(s) from the Fund administrator and agree the net benefit amount as per procedure 9.2.1 to the bank statements, and note any differences. iv. Inquire with the Fund administrator about the nature of any differences noted in iii and detail the responses provided (e.g. interest, where applicable).	**For a defined benefit fund and hybrid funds with a defined benefit underpin:** We inspected that the gross benefit amount from 9.2.1 and agreed to the calculation performed by the Fund Actuary and obtained from the Fund administrator. **For a defined contribution fund:** Not applicable. **For members who were paid up and/or deferred:** Not applicable.
9.2.4	In cases where a fund has a member surplus account (defined benefit and defined contribution) or investment reserve account (defined contribution) and the member was due a surplus amount as per the surplus account listing noted in 4.2, inspect the member's fund credit transactions on the administration system obtained from the Fund administrator to note that the member record was updated with the surplus amount.	Not applicable. The Fund does not have a member surplus account (defined benefit and defined contribution).
9.3	Obtain a list of current and unclaimed benefits payable as disclosed in the Statement of Net Assets and Funds as at 31 December 2023 from the Fund administrator, and select a sample of the lesser of 25 or 10% of the total number of benefits from the list (selected based on the selection criteria provided above), and perform the following procedure:	We obtained a list of the current benefits payable as disclosed in the Statement of Net Assets and Funds as at 31 December 2023 from the Fund administrator, selected a sample of 14 of the total number of benefits from the list, and performed the following procedure:

	Procedures	Findings
9.3.1	For the sample selected above, (excluding death benefits), calculate the number of months that benefit has been unpaid, using the date of exit as the starting month. If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit. If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable. Note any exceptions, if incorrectly classified.	For the sample selected, we calculated the number of months that the benefit has been unpaid, using the date of exit as the starting month and noted the following: No exceptions were noted where the benefits were not classified in the correct category.
9.3.2	For the sample selected above relating to death benefits, calculate the number of months that benefit has been unpaid using the date of the approved death benefit distribution per the Board of Fund approval, obtained from the Fund administrator. If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit. If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable. Note any exceptions if incorrectly classified.	For the sample selected relating to death benefits, we calculated the number of months that benefit has been unpaid using the date of the approved death benefit distribution per the Board of Fund approval, obtained from the Fund administrator and noted the following: No exceptions were noted where the benefits were not classified in the correct category.
10	**Transfers**	
10.1	Obtain separate lists of Section 14 transfers to and from the Fund throughout the year from the Fund administrator and agree the totals of the lists to the amounts reflected in the "Transfers into the Fund" and "Transfers from the Fund" note 7 to the audited annual financial statements. Note any differences.	We obtained separate lists of Section 14 transfers from the Fund from the Fund administrator and noted that the totals of the list agreed to the amounts reflected in the "Transfers from the Fund" note 7 to the audited annual financial statements.
10.2	From the list of Section 14 transfers to and from the Fund throughout the year, select a sample of the lesser of 25 or 10% of the number of transfers in and the lesser of 25 or 10% of the number of transfers out (selected based on the selection criteria provided above), and perform the following procedures:	From the list of Section 14 transfers from the Fund throughout the year, we selected a sample of 1 of the number of transfers out, and performed the following procedures:
10.2.1	Obtain the following Section 14 documentation from the Fund administrator: a. Section 14 (1) transfers: the Section 14(1) application, approval letter from the Authority and Form G in respect of each transfer; and/or b. Section 14 (8) transfers: the Section 14(8) Form H and J, as prescribed. Agree the following information per the listings to the documentation received: • Name of transferor/transferee fund; • Effective date; • Approval date; • Number of members; • Transfer amount; and • Growth and investment return. Note any exceptions.	We obtained the Section 14 documentation from the Fund administrator. The details per the documentation agreed to the following information per the listings: • Name of transferor/transferee fund; • Effective date; • Approval date; • Number of members; • Transfer amount; and • Growth and investment return.

	Procedures	Findings
10.2.2	Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the Fund administrator. Recalculate the number of days between the date of approval, as per the Authority approval obtained in 10.2.1, and the day of receipt/payment as per the bank statement. Note any exceptions, where the Section 14 transfers to and from the Fund were: • Not received/paid within 60 days of Authority approval for Section 14(1) transfers; • Not received/paid within 180 days from the effective date for Section 14(8) transfers; and • Not received/paid within the year as noted in the blanket transfer documentation, but not after 60 days from the blanket transfer end date.	We obtained the bank statements for the date of payment of the Section 14 transfers from the Fund administrator. We recalculated the number of days between the date of approval, as per the Authority approval obtained in 10.2.1, and the day of the payment as per the bank statement, and the payments were made within the required periods.
10.2.3	Inquire from the Fund administrator if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. Note any exceptions.	We inquired from the Fund administrator if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. We noted that the growth and investment return was allocated.
10.3	From the list of Section 14 transfers from other funds, as per procedure 10.2, select a sample of the lesser of 25 or 10% of the number of members (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable. There were no transfers in
10.3.1	**In respect of unitised funds** Recalculate the purchase of units for the amount received by dividing the amount transferred per the listing by the unit price per the administration system on the date of receipt. Agree the recalculated units to the number of units allocated to the member's individual account on the administration system. Note any differences. **In respect of non-unitised funds** Agree the transfer amount received per the listing to the amount allocated to the member's individual account on the administration system. Note any differences.	**In respect of unitised funds** Not applicable **In respect of non-unitised funds** Not applicable.
10.4	**Individual transfers in** Obtain the list of individual transfers in throughout the year ended 31 December 2023 from the Fund administrator, select a sample of the lesser of 25 or 10% of the number of individual transfers (selected based on the selection criteria provided above), and perform the following procedures:	**Individual transfers in** Not applicable. There were no individual transfers in throughout the year ended 31 December 2023.
10.4.1	Obtain the recognition of transfer documentation submitted by the transferor fund to the Fund from the Fund administrator. Agree the effective date and amount transferred to the recognition of transfer documentation. Note any exceptions.	Not applicable.

	Procedures	Findings
10.4.2	**In respect of unitised funds** Recalculate the purchase of units for the amount received by dividing the amount transferred per the listing by using the unit price per the administration system on the date of receipt. Agree the recalculated units to the number of units allocated to the member's individual account on the administration system. Note any exceptions. **In respect of non-unitised funds** Agree the transfer amount received per the listing to the amount allocated to the member's individual account on the administration system. Note any differences.	**In respect of unitised funds** Not applicable.
10.5	**Unclaimed benefit payments** Obtain a list of unclaimed benefits paid during the year from the Fund administrator, and perform the following procedures:	We obtained a list of unclaimed benefits paid during the year from the Fund administrator, and performed the following procedures:
10.5.1	Agree the total of the list of payments to the respective general ledger unclaimed benefit accounts reconciliation prepared by the Fund administrator.	The total of the list of payments agreed to the respective general ledger unclaimed benefits accounts reconciliation prepared by the Fund administrator.
10.5.2	Select a sample of the lesser of 25 payments or 10% of the total number of unclaimed benefits paid from the list (selected based on the selection criteria provided above), and perform the following procedures:	We selected a sample of 1 of the total number of unclaimed benefits paid from the list, and performed the following procedures:
10.5.2.1	For each selected unclaimed benefit paid, compare the following fields as reflected on the administrator's listing: • Gross benefit amount; • Tax amount; and • Late payment interest (if applicable) to the administration system and the signed member exit form, SARS Tax Directives, benefit calculation, proof of banking and proof of payment.	We compared each unclaimed benefit paid, selected from the administration system, to the supporting documentation for the following fields: • The gross benefit amount; • tax amount; and • Late payment interest (if applicable).
10.6	**Unclaimed benefit transfers** Obtain a list of unclaimed benefits Section 14 transfers during the year from the Fund administrator and from the list of unclaimed benefits Section 14 transfers paid/accrued from the Fund throughout the year, select a sample of the lesser of 25 or 10% of the number of transfers out (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable. There were no unclaimed benefit transfers for the year ended 31 December 2023.
10.6.1	Obtain the following Section 14 documentation from the Fund administrator: a. Section 14 (1) transfers: the Section 14(1) application, approval letter from the Authority and Form G, in respect of each transfer; and/or b. Section 14 (8) transfers: the Section 14(8) Form H and J, as prescribed. Agree the following information per the listings to the documentation received: • Name of transferor/transferee fund; • Effective date; • Approval date; • Number of members; • Transfer amount; and • Growth and investment return. Note any exceptions.	Not applicable.

	Procedures	Findings
10.6.2	Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the Fund administrator. Recalculate the number of days between the date of approval, as per the Authority approval obtained in 10.2.1, and the day of receipt/payment as per the bank statement. Note any exceptions where the unclaimed benefits Section 14 transfers from the Fund were: • Not paid within 60 days of Authority approval for Section 14(1) transfers; and • Not paid within 180 days from the effective date for Section 14(8) transfers.	Not applicable.
10.6.3	Inquire from the Fund administrator if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. Note any exceptions.	Not applicable.
11	**Pensioners paid**	
11.1	Obtain the pensioner payment reconciliation (inclusive of in-fund annuities purchased in the name of the fund and living annuities) for pensions reflected as expenses in the Benefits note 8 as reflected in the audited annual financial statements from the Fund administrator for the year/year ended 31 December 2023, and perform the following procedures:	We obtained the pensioner payment reconciliation (inclusive of in-fund annuities purchased in the name of the fund and living annuities) for pensions reflected as expenses in the benefits note 8 as reflected in the audited annual financial statements from the Fund administrator for the year ended 31 December 2023, and performed the following procedures:
11.1.1	Agree the total pension expense per the reconciliation to the total pension expense per the pension expenses general ledger account. Note any differences and/or unexplained reconciliation items.	The total pension expense per the reconciliation agreed to the pension expenses general ledger account.
11.2	**In-fund pensioners** Obtain a detailed pensioner payroll listing reflecting the pensioner's name, identification number and monthly pension amount for the year ended 31 December 2023 from the Fund administrator and agree the total pensions amount paid to the total pension amount paid on the reconciliation obtained in procedure 11.1. From the above list, select a sample of the lesser of 25 or 10% of the number of pensioners (selected based on the selection criteria provided above) and perform the following procedures:	**In-fund pensioners** We obtained a detailed pensioner payroll listing reflecting the pensioner's name, identification number and monthly pension amount for the year ended 31 December 2023 from the Fund administrator. The total pension amount on the detailed pensioner payroll listing totals agreed to the reconciliation obtained in procedure 11.1. From the above list, we selected a sample of 50 and performed the following procedures:
11.2.1	Obtain the Board of Fund minutes or resolution from the Fund administrator, and note the pension increase percentage and the effective date of the pension increase.	We obtained the Board of Fund minutes or resolution from the Fund administrator, and we noted that the pension increase percentage was 11% and the effective date of the pension increase was 1 July 2023.
11.2.2	Inspect the administration system or observe the Fund administrator indicating on the administration system the pension increase granted to the pensioners. Note the percentage increase granted to the pensioners and the effective date of the pension increase.	We inspected the administration system or observed the Fund administrator indicating on the administration system the pension increase granted to the pensioners. We noted a percentage increase granted to the pensioners of 11% with an effective date of 1 July 2023.
11.2.3	Agree the percentage increase and effective date noted in procedure 11.2.1 to the percentage increase and effective date noted in procedure 11.2.2.	The percentage increase noted in procedure 11.2.1 agreed to the percentage increase noted in procedure 11.2.2. The effective date noted in procedure 11.2.1 agreed to the effective date noted in procedure 11.2.2.

	Procedures	Findings
11.2.4	Inquire from the Fund administrator when the most recent (closest to year-end of the Fund) Certificate of Existence or the Department of Home Affairs [insert the name of the documentation] that indicates the alive status of the pensioners was obtained for the Fund and note the date.	We inquired from the Fund administrator when the most recent (closest to year-end of the Fund) the Department of Home Affairs an on-line enquiry that indicates the alive status of the pensioners was obtained for the Fund. We noted that the Department of Home Affairs on-line enquiry that indicates the alive status of the pensioners was obtained on 14 February 2024 for the year.
11.2.5	Obtain the Certificate of Existence or the Department of Home Affairs documentation noted in procedure 11.2.4 from the Fund administrator and inspect for the pensioners' names and/or identification numbers of the sample of pensioners.	We obtained the Department of Home Affairs documentation noted in procedure 11.2.4 from the Fund administrator. We inspected the Department of Home affairs documentation for the pensioners' identification numbers. No instances were noted where pensioners' identification numbers did not appear on the Department of Home Affairs documentation.
11.3	**Annuities purchased in the name of the Fund** Obtain an external confirmation from the annuity providers summarising the movements from the opening market value to the closing market value for the year, and perform the following procedures:	Not applicable. There were no annuities purchased in the name of the fund.
11.3.1	Agree the closing market value of the annuity per the external confirmation from the annuity providers to the annuities purchased general ledger account. Note any differences.	Not applicable.
11.3.2	Agree the pension expense per the external confirmation from the annuity providers to the pension expense on the pensioner reconciliation obtained in procedure 11.1. Note any differences.	Not applicable.
11.4	**Living annuities in the Fund** Obtain a detailed pensioner payroll listing reflecting the pensioner's name, identification number, monthly pension and pension payment start date of pensioners in receipt of a living annuity from the Fund administrator and agree the total pension amount on the detailed pensioner payroll listing of pensioners in receipt of a living annuity to the pension amount paid on the pensioner reconciliation obtained in procedure 11.1. Note any differences.	**Living annuities in the Fund** Not applicable. There were no living annuities in the fund throughout the year.
11.4.1	**New Living annuities in the Fund** From the listing obtained in procedure 11.4, select a sample (selected based on the selection criteria provided above) of the lesser of 25 or 10% of the number of new pensioners in receipt of a living annuity; obtain the detailed pensioner record/statement for the year reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and perform the following procedures:	Not applicable.
11.4.1.1	Obtain the document reflecting the pensioners' chosen drawdown rate at retirement of the new pensioners in receipt of a living annuity.	Not applicable.
11.4.1.2	Agree the drawdown rate reflected on the pensioner record/statement obtained in procedure 11.4.1 to the drawdown rate obtained in procedure 11.4.1.1, Note any differences.	Not applicable.

	Procedures	Findings
11.4.2	**All living annuities in the Fund** From the listing obtained in procedure 11.4, select a sample (selected based on the selection criteria provided above) of the lesser of 25 or 10% of the number of pensioners in receipt of a living annuity; obtain the detailed pensioner record/statement for the year reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and perform the following procedures:	Not applicable.
11.4.2.1	Compare the drawdown rate as reflected in the detailed pensioner record/statement obtained in procedure 11.4.2 to the living annuities drawdown rates as defined in Section 1 of the Income Tax Act and/or the Authority's Conduct Standard on Living Annuities. Note any exceptions where the drawdown rate, as per the administration system, is higher or lower than the one defined in Section 1 of the Income Tax Act and/or the Authority's Conduct Standard on Living Annuities.	Not applicable.
11.4.2.2	Recalculate the drawdown rate by dividing the monthly pension paid by the balance of pensions, as reflected in the pensioner record/statement obtained in procedure 11.4.2. Agree the recalculated drawdown rate to the drawdown rate reflected on the record/statement obtained in procedure 11.4.2. Note any exceptions.	Not applicable.
11.4.2 .3	Obtain the Certificate of Existence or the Department of Home Affairs [insert the name of the documentation] noted in procedure 11.2.4 from the Fund administrator and inspect for the pensioner's name and/or identification number. Note any exceptions.	Not applicable.
12	**General**	
12.1	Obtain a copy/copies of the fund's fidelity insurance cover/policy from the Fund administrator for the year ended 31 December 2023 and inspect the year of the cover (start date and end date). Note instances where the cover year does not extend to the year/year-end. Note the date on which the cover is in place.	We obtained a copies of the fund's fidelity insurance cover from the Fund administrator and inspected the year of the cover 1 January 2023 to 31 December 2023. The year of the cover per the policy extended beyond the year-end. The Fund's fidelity insurance cover was in place until 29 February 2024.
12.2	Inquire from the Fund administrator the date(s) of the latest approved Group Life Assurance (GLA) and/or disability benefit policies of the Fund for the sample of pay points selected in procedure 8.1 and note the year of cover(s) and whether the cover(s) extended subsequently to the year-end. Note the end date of the cover(s).	Not applicable. The Fund did not have GLA and/or disability benefit policies.
12.3	Inquire from the Fund administrator the date of the latest statutory actuarial valuation and when it was submitted to the Authority. Note the date of the valuation and the date of submission to the Authority. Where the Fund is valuation exempt, inquire from the Fund administrator when the valuation exemption was approved by the Authority and note the date.	We inquired from the Fund administrator the date of the latest statutory actuarial valuation and when it was submitted to the Authority and noted that the date of the valuation was 1 January 2022 and it was submitted to the Authority on 12 December 2022 and approved on 30 November 2023.
12.3.1	Obtain a copy of the latest statutory valuation from the Fund administrator, as noted in procedure 12.3, and inspect the valuation note for the funding status of the Fund (whether the Fund was under-funded or fully funded).	We obtained the latest statutory valuation from the Fund administrator as noted in procedure 12.3, and inspected the valuation note for the funding status of the Fund. We noted that the funding status was fully funded.
12.3.2	Where the Fund is under-funded per the valuation report, inquire from the Fund administrator, as to whether a scheme, as required in terms of Section 18 of the Act, has been approved by the Authority. Note any exceptions.	Not applicable. Per procedure 12.3.1, the Fund was not under-funded.

	Procedures	Findings
12.3.3	Where a scheme as required by Section 18 of the Act has been approved by the Authority, inquire from the Fund administrator as to whether the recommendations/corrective action of the scheme, as required in terms of Section 18 of the Act, have/has been implemented. Note any exceptions.	Not applicable. Per procedure 12.3.1, the Fund was not under-funded.

BDO South Africa Inc.
Registered Auditors

MI Lockhat
Director
Registered Auditor

Date: _____

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

SCHEDULE IA
DURBAN PENSION FUND
Registration number: 12/8/32435

Schedules to the Annual Financial Statements
For the period ended 31 December 2023

Investment summary schedule

	Note	Direct investments R	Non-compliant collective investment schemes R 7	Non-compliant insurance policies R 7	Derivative positions without residual risk R 6.1	Compliant investments R	Total R
Cash (including cash at bank)	1	85 027 892	14 792 333	52 321 751	(1 715 344)		150 426 632
Commodities	2	3 279 081	0	686 500	0		3 965 581
Debt instruments including Islamic debt instruments	3	7 944 096 276	8 976 750	363 980 436	0		8 317 053 462
Investment properties and owner occupied properties	4	6 279 296	5 481 934	319 310 563	0		331 071 793
Equities	5	950 132 111	1 705 484 046	81 497 549	1 715 344		2 738 829 050
TOTAL INVESTMENTS		**8 988 814 656**	**1 734 735 063**	**817 796 799**	**0**	**0**	**11 541 346 518**

Investment summary schedule (continued)

	Local R	Total foreign R	Foreign Africa R	Total percentage foreign exposure %	Reconciling items between Schedule IA and IB R	Total as per Regulation 28 (Schedule IB) R
Cash (including cash at bank)	136 947 046	13 479 586	0	8.96%	0	150 426 632
Commodities	3 965 581	0	0	0.00%	0	3 965 581
Debt instruments including Islamic debt instruments	8 308 077 455	8 976 007	0	0.11%	0	8 317 053 462
Investment properties and owner occupied properties	331 071 793	0	0	0.00%	0	331 071 793
Equities	1 109 129 175	1 629 699 875	0	59.50%	0	2 738 829 050
TOTAL INVESTMENTS	**9 889 191 050**	**1 652 155 468**	**0**	**14.32%**	**0**	**11 541 346 518**

SCHEDULE IA
DURBAN PENSION FUND
Registration number: 12/8/32435

Schedules to the Annual Financial Statements
For the period ended 31 December 2023

1. Cash

	Fair value R
Local	
Notes, deposits, money market instruments issued by a South African bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments	
Notes and coins, any balance or deposit in an account held with a South African bank	**78 513 022**
Accrued Dividends	(545 027)
Accrued Interest	(87 249 037)
Nedbank Limited	124 556 868
The Standard Bank of South Africa Limited	42 013 581
Unsettled Trades	(263 363)
Any positive net balance in a margin account with an exchange	**281 806**
Safex	281 806
Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets	**6 233 064**
Cash Offset Of Derivative Positions	(1 617 450)
Nedbank Limited	7 850 514
Total cash	**85 027 892**

2. Commodities

Holdings	Local or foreign	Holding number	Fair value R
Other			**3 279 081**
New Gold Platinum Etf [Ngplt]	Local	18 363	3 279 081
Total Commodities			**3 279 081**

3. Debt instruments including Islamic debt instruments

	Local or foreign	Secured or unsecured	Issued or guaranteed	Redemption value R	Fair value R
Government Debt:					
Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic					**7 744 296 728**
Republic Of South Africa Government Bond	Local	Secured	Guaranteed	6 188 884 641	7 744 296 728
					7 744 296 728
Bank Debt:					
Debt instruments issued or guaranteed by a South African Bank against its balance sheet:					
Listed on an exchange with an issue market capitalisation of R20 billion or more, or an amount or conditions as prescribed					**199 799 548**
Firstrand Bank Ltd	Local	Secured	Issued	86 150 000	196 163 422
Nedbank Limited	Local	Secured	Issued	2 900 000	3 636 126
					199 799 548
Total Debt instruments including Islamic debt instruments					**7 944 096 276**

4. Investment properties and owner occupied properties

	Local or foreign	Ordinary or preference or other	Issued shares	Holding number	Holding %	Fair value R
Shares and linked units in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange						
Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed						**5 854 092**
Equites Property Fund Ltd	Local	Ordinary	786 947 356	8 540	0.00%	119 133
Fortress Real Estate Investments Ltd	Local	Ordinary	1 191 595 172	25 817	0.00%	356 533
Hyprop Investments Ltd	Local	Ordinary	359 566 570	51 139	0.01%	1 590 934
Nepi Rockcastle Nv	Local	Ordinary	660 826 020	13 152	0.00%	1 662 150
Redefine Properties Ltd	Local	Ordinary	7 052 419 865	552 037	0.01%	2 125 342
Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed						**259 202**
Attacq Ltd	Local	Ordinary	751 551 292	28 113	0.00%	259 202
Issuer market capitalisation of less than R3 billion, or an amount or conditions as prescribed						**166 002**
Rmb Holdings Ltd	Local	Ordinary	1 392 933 199	255 388	0.02%	166 002
						6 279 296

5. Equity

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Listed equities						
Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed						**873 905 634**
Absa Group Limited	Local	Ordinary	894 376 907	81 055	0.01%	13 269 505
African Rainbow Minerals Limited [Ari]	Local	Ordinary	224 667 778	14 760	0.01%	2 952 000
Anglo American Platinum Ltd	Local	Ordinary	265 292 206	3 620	0.00%	3 489 680
Anglo American Plc	Local	Ordinary	1 337 577 913	45 171	0.00%	21 388 017
Anglogold Ashanti	Foreign	Ordinary	419 379 599	5 537	0.00%	1 956 831
Anglogold Ashanti Plc	Local	Ordinary	419 379 599	20 223	0.00%	5 190 179
Anheuser-Busch Invbev Sa/Nv	Local	Ordinary	1 737 196 570	30 610	0.00%	36 736 285
Aspen Pharmacare Holdings Limited [Apn]	Local	Ordinary	446 252 332	41 931	0.01%	8 532 959
Avi Limited [Avi]	Local	Ordinary	336 531 094	83 556	0.02%	6 857 441
Bhp Group Ltd	Local	Ordinary	5 065 820 556	39 756	0.00%	25 182 643
Bid Corp Ltd	Local	Ordinary	335 404 212	63 697	0.02%	27 176 325
Bidvest Group	Local	Ordinary	340 274 346	30 572	0.01%	7 713 010
British American Tobacco Plc	Local	Ordinary	2 456 867 420	68 741	0.00%	37 224 050
Bytes Technology Group Plc	Local	Ordinary	239 482 333	6 928	0.00%	992 159
Capitec Bank Holdings Ltd	Local	Ordinary	116 099 843	14 857	0.01%	30 105 631
Compagnie Fin Richemont Sa	Local	Ordinary	522 000 000	13 031	0.00%	33 458 526
Dis Chem Pharmacies Pty Ltd	Local	Ordinary	860 084 483	343 586	0.04%	10 544 654
Exxaro Resources Ltd	Local	Ordinary	349 305 092	39 527	0.01%	8 082 481
Firstrand Bank Ltd	Local	Ordinary	5 609 488 001	800 366	0.01%	58 834 905
Glencore Plc	Local	Ordinary	13 600 000 000	339 330	0.00%	37 886 195
Gold Fields Ltd	Local	Ordinary	893 527 657	75 555	0.01%	20 987 668
Impala Platinum Holdings Limited [Imp]	Local	Ordinary	904 463 750	39 672	0.00%	3 620 863
Investec Limited [Inl]	Local	Ordinary	295 675 988	16 006	0.01%	2 010 194
Investec Plc	Local	Ordinary	696 082 618	101 718	0.01%	12 811 382
Kumba Iron Ore Ltd	Local	Ordinary	322 085 974	2 938	0.00%	1 806 224
Life Healthcare Group Holdings Limited [Lhc]	Local	Ordinary	1 467 349 162	213 894	0.01%	3 929 233
Momentum Metropolitan Holdings Limited	Local	Ordinary	1 411 206 558	194 801	0.01%	4 264 194
Mondi Plc	Local	Ordinary	485 553 780	105 047	0.02%	38 132 061

5. Equity (continued)

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Mr Price Group Limited [Mrp]	Local	Ordinary	256 791 496	11 100	0.00%	1 740 591
Mtn Group Ltd	Local	Ordinary	1 884 269 758	99 677	0.01%	11 512 694
Multichoice Group Ltd [Mcg]	Local	Ordinary	442 512 678	67 092	0.02%	5 435 794
Naspers Ltd	Local	Ordinary	185 790 421	19 949	0.01%	62 400 472
Nedbank Group Limited [Ned]	Local	Ordinary	488 594 065	50 394	0.01%	10 896 695
Netcare Ltd	Local	Ordinary	1 439 090 009	93 767	0.01%	1 335 242
Ninety One Ltd [Ny1]	Local	Ordinary	287 632 330	53 868	0.02%	2 314 708
Ninety One Plc [N91]	Local	Ordinary	622 624 622	31 485	0.01%	1 357 633
Northam Platinum Holdings Ltd	Local	Ordinary	396 615 878	25 171	0.01%	3 534 764
Old Mutual Ltd	Local	Ordinary	4 790 906 428	228 561	0.00%	2 985 007
Outsurance Group Ltd	Local	Ordinary	1 531 807 770	251 651	0.02%	10 619 672
Pepkor Holdings Limited [Pph]	Local	Ordinary	3 672 187 103	424 952	0.01%	8 341 808
Prosus Nv	Local	Ordinary	2 660 000 000	98 788	0.00%	55 359 807
Quilter Plc	Local	Ordinary	1 404 105 498	705 163	0.05%	17 121 358
Reinet Investments Sca	Local	Ordinary	195 941 286	19 585	0.01%	9 130 723
Remgro Limited [Rem]	Local	Ordinary	529 217 007	83 275	0.02%	13 530 522
Safex	Local	Ordinary	0	0	0.00%	1 617 450
Sanlam Life Insurance Ltd	Local	Ordinary	2 202 916 000	224 431	0.01%	16 338 577
Santam Limited [Snt]	Local	Ordinary	115 131 417	9 281	0.01%	2 659 656
Sappi Limited [Sap]	Local	Ordinary	566 113 439	156 400	0.03%	6 912 880
Sasol Ltd	Local	Ordinary	634 336 265	99 070	0.02%	18 356 680
Shoprite Holdings Ltd	Local	Ordinary	591 338 502	83 771	0.01%	23 041 214
Sibanye Stillwater Ltd [Ssw]	Local	Ordinary	2 830 567 264	209 245	0.01%	5 210 201
South32 Ltd	Local	Ordinary	4 561 350 774	102 609	0.00%	4 329 074
Spar Group Ltd/The	Local	Ordinary	192 602 355	59 141	0.03%	6 972 724
Standard Bank Of South Africa Ltd	Local	Ordinary	1 678 564 470	263 633	0.02%	54 862 027
The Foschini Group Limited [Tfg]	Local	Ordinary	331 027 300	75 014	0.02%	8 323 553
Thungela Resources Ltd [Tga]	Local	Ordinary	140 492 585	8 941	0.01%	1 375 126
Tiger Brands Limited [Tbs]	Local	Ordinary	180 327 980	32 936	0.02%	6 629 687
Truworths International Ltd	Local	Ordinary	408 498 899	79 848	0.02%	5 936 699
Woolworths Holdings Ltd/South Africa	Local	Ordinary	988 695 949	395 946	0.04%	28 587 301

5. Equity (continued)

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R

Equity (continued)

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed						**75 052 392**
A E C I Limited [Afe]	Local	Ordinary	105 517 780	22 610	0.02%	2 480 091
Adcock Ingram Holdings Ltd	Local	Ordinary	161 300 000	6 900	0.00%	414 690
Advtech Limited	Local	Ordinary	554 459 991	333 702	0.06%	8 189 047
Altron Limited	Local	Ordinary	410 805 451	123 920	0.03%	1 270 180
Astral Foods Limited	Local	Ordinary	42 922 235	3 663	0.01%	536 886
Blue Label Telecoms Limited [Blu]	Local	Ordinary	913 655 873	187 076	0.02%	725 855
Brait Plc [Bat]	Local	Ordinary	1 320 312 254	342 640	0.03%	623 605
Ca Sales Holdings Ltd	Local	Ordinary	473 337 178	178 969	0.04%	1 843 381
Cashbuild Limited [Csb]	Local	Ordinary	23 900 647	6 853	0.03%	1 143 971
Caxton Ctp Publishers & Printers Limited [Cat]	Local	Ordinary	362 534 648	40 877	0.01%	437 384
City Lodge Hotels Limited [Clh]	Local	Ordinary	609 859 502	188 800	0.03%	923 232
Coronation Fund Managers Limited [Cml]	Local	Ordinary	349 799 102	53 069	0.02%	1 653 630
Curro Holdings Ltd	Local	Ordinary	587 673 818	43 301	0.01%	504 457
Drdgold Limited [Drd]	Local	Ordinary	864 588 711	18 030	0.00%	284 333
Famous Brands Ltd	Local	Ordinary	100 202 284	24 560	0.02%	1 422 761
Grindrod Ltd	Local	Ordinary	698 031 586	49 213	0.01%	563 981
Hosken Consolidated	Local	Ordinary	85 620 648	24 393	0.03%	4 942 022
Hudaco Industries Ltd	Local	Ordinary	30 895 980	5 067	0.02%	813 912
Invicta Holdings Ltd	Local	Ordinary	99 844 589	30 724	0.03%	872 562
Italtile Limited [Ite]	Local	Ordinary	1 321 654 148	48 226	0.00%	540 131
Jse Limited [Jse]	Local	Ordinary	86 877 600	8 020	0.01%	741 369
Kal Group Limited [Kal]	Local	Ordinary	74 319 837	4 508	0.01%	182 574
Kap International Holdings Ltd	Local	Ordinary	2 477 094 448	899 652	0.04%	2 357 088
Lewis Group Ltd	Local	Ordinary	54 200 032	18 595	0.03%	799 585
Libstar Holdings Ltd [Lbr]	Local	Ordinary	681 921 408	43 795	0.01%	153 283
Merafe Resources Ltd	Local	Ordinary	2 499 126 870	238 679	0.01%	310 283
Metair Investments Ltd	Local	Ordinary	198 985 886	64 161	0.03%	1 138 858
Motus Holdings Limited O	Local	Ordinary	177 469 040	32 074	0.02%	3 255 511
Mpact Limited [Mpt]	Local	Ordinary	148 175 363	18 063	0.01%	537 916

Equity (continued)

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Oceana Group Ltd	Local	Ordinary	130 431 804	37 980	0.03%	2 684 047
Omnia Holdings Limited [Omn]	Local	Ordinary	167 198 840	20 243	0.01%	1 323 285
Pan African Resources Plc [Pan]	Local	Ordinary	2 222 862 046	532 243	0.02%	2 176 874
Pick N Pay Stores Limited [Pik]	Local	Ordinary	493 450 321	57 978	0.01%	1 349 148
Premier Group Ltd [Pmr]	Local	Ordinary	0	0	0.00%	919 654
Psg Financial Services Ltd [Kst]	Local	Ordinary	1 294 818 074	494 997	0.04%	7 598 205
Southern Sun Ltd [Ssu]	Local	Ordinary	1 477 905 694	212 515	0.01%	1 115 704
Spur Corporation Limited [Sur]	Local	Ordinary	90 996 932	44 894	0.05%	1 436 608
Stadio Holdings Pty Ltd	Local	Ordinary	853 677 588	250 590	0.03%	1 308 080
Sun International Ltd/South Africa	Local	Ordinary	262 052 195	99 459	0.04%	4 077 819
Super Group Limited [Spg]	Local	Ordinary	346 309 812	81 241	0.02%	2 416 920
Transaction Capital Ltd	Local	Ordinary	759 032 637	552 003	0.07%	4 404 984
Tsogo Sun Limited [Tsg]	Local	Ordinary	1 050 188 300	236 656	0.02%	2 899 040
Wilson Bayly Holmes-Ovcon Ltd	Local	Ordinary	71 018 425	8 878	0.01%	1 154 673
Zeda Ltd	Local	Ordinary	189 641 787	7 598	0.00%	96 875
Zeder Investments Ltd	Local	Ordinary	1 543 260 354	243 124	0.02%	427 898
Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed						**1 174 085**
Adcorp Holdings Limited [Adr]	Local	Ordinary	109 954 675	66 643	0.06%	211 258
Calgro M3 Holdings Limited [Cgr]	Local	Ordinary	117 675 712	31 917	0.03%	139 477
Capital Appreciation	Local	Ordinary	1 310 000 000	67 569	0.01%	88 515
Nampak Limited [Npk]	Local	Ordinary	8 476 184	2 975	0.04%	556 295
Novus Holdings Ltd [Nvs]	Local	Ordinary	346 656 348	39 500	0.01%	178 540
Total equities						**950 132 111**

6. Direct derivative market instruments

6.1. Derivative positions without residual risk

Instrument	Local or foreign	Listed or unlisted	Strike price R	Cost/premium R	Fair value R	Gross effective economic exposure R	Net effective economic exposure R	Potential gain or (potential loss) R
Futures / forwards / SAFEX								
Cash Offset Of Derivative Positions	Local		0	0	(1 715 344)	0	0	0
Safex	Local		0	0	1 715 344	0	0	0
			0	**0**	**0**	**0**	**0**	**0**

Instrument	Exchange rate R	Fixed rate or variable rate	Counter party	Counter party %	Expiry date	Holding number	Holding %
Futures / forwards / SAFEX							
Cash Offset Of Derivative Positions	0			0.00%		0	0.00%
Safex	0			0.00%		0	0.00%

7. Regulation 28 non-compliant investments

Instrument	Local R	Foreign R	Fair value R
Collective investment schemes	**84 536 426**	**1 650 198 637**	**1 734 735 063**
Allan Gray - Portfolio : Dupfo - Durban Pension Fund – Foreign Mandate (Act	684	191 404 276	191 404 960
Allan Gray - Portfolio : Duppo - Durban Pension Fund (Pensioners) - Internation	2 321	649 657 994	649 660 315
Ninety One South Africa Proprietary Limited - Dpfeqt	75 261 351	387 787	75 649 138
Ninety One South Africa Proprietary Limited - Dpfgfr	29 629	189 952 113	189 981 742
Ninety One South Africa Proprietary Limited - Dureqt	8 895 549	0	8 895 549
Ninety One South Africa Proprietary Limited - Durgfr	346 892	618 796 467	619 143 359
Linked policies	**817 796 799**	**0**	**817 796 799**
Allan Gray - Portfolio : Dbnpe - Durban	61 542 979	0	61 542 979
Coronation Asset Management Proprietary Limited - Durban Pension Fund (20254_Exp)	5 459 457	0	5 459 457
Futuregrowth Community Property Fund (Actives)	81 534 994	0	81 534 994
Futuregrowth Community Property Fund (Pensioners)	256 892 937	0	256 892 937
Futuregrowth Infrastructure & Development Bond (Actives)	80 326 616	0	80 326 616
Futuregrowth Infrastructure & Development Bond (Pensioners)	332 039 816	0	332 039 816
Total non-compliant investments	**902 333 225**	**1 650 198 637**	**2 552 531 862**

Risk management Credit/counter party risk

Counter party	Direct investment in counter party R	Deposit or liquid asset with counter party R	Any other instrument R	Total for counter party R	Exposure to counter party as a % of the fair value of the Fund %
Banks					
The Standard Bank of South Africa Limited	54 862 027	42 013 580	0	96 875 607	0.84%
Asset managers – local					
Allan Gray South Africa Proprietary Limited	0	0	902 608 255	902 608 255	7.82%
Coronation Asset Management Proprietary Limited	0	0	5 459 457	5 459 457	0.05%
Futuregrowth Asset Management Proprietary Limited	0	0	750 794 363	750 794 363	6.51%
Ninety One South Africa Proprietary Limited	0	0	893 669 788	893 669 788	7.74%

Market risk

List of the 10 largest rand value equity holdings

Investments	Fair value at end of period R	Total fair value equity holdings and open instruments R	Market movement by 5% R
Naspers Ltd	62 400 472	62 400 472	3 120 024
Firstrand Bank Ltd	58 834 905	58 834 905	2 941 745
Prosus Nv	55 359 807	55 359 807	2 767 990
Standard Bank Of South Africa Ltd	54 862 027	54 862 027	2 743 101
Mondi Plc	38 132 061	38 132 061	1 906 603
Glencore Plc	37 886 195	37 886 195	1 894 310
British American Tobacco Plc	37 224 050	37 224 050	1 861 203
Anheuser-Busch Invbev Sa/Nv	36 736 285	36 736 285	1 836 814
Compagnie Fin Richemont Sa	33 458 526	33 458 526	1 672 926
Capitec Bank Holdings Ltd	30 105 631	30 105 631	1 505 282
Total value of 10 largest equity holdings	**444 999 959**	**444 999 959**	**22 249 998**

Total movement as % of non-current assets plus bank	**0.19%**

Other financial instruments

List of the 10 largest rand value other financial instruments

	Fair value R	Market movement by 5% R
Republic of South Africa Government Bond	7 744 296 728	387 214 836
Allan Gray - Portfolio : DUPPO - DURBAN PENSION FUND (PENSIONERS) - INTERNATION	649 660 316	32 483 016
Ninety One South Africa Proprietary Limited - DURGFR	619 143 359	30 957 168
FutureGrowth Infrastructure & Development Bond (Pensioners)	332 039 816	16 601 991
FutureGrowth Community Property Fund (Pensioners)	256 892 937	12 844 647
FirstRand Bank Ltd	196 163 422	9 808 171
Allan Gray - Portfolio : DUPFO - Durban Pension Fund – Foreign Mandate (Act	191 404 960	9 570 248
Ninety One South Africa Proprietary Limited - DPFGFR	189 981 742	9 499 087
FutureGrowth Community Property Fund (Actives)	81 534 994	4 076 750
FutureGrowth Infrastructure & Development Bond (Actives)	80 326 616	4 016 331
Total value of 10 largest other financial instruments	**10 341 444 890**	**517 072 245**
Total movement as % of non-current assets plus bank		**4.48%**

Reconciliation between the investment note HA and schedule IA summary

	Fair value as per Investment note R	Cash at bank R	Property split (Schedule IA note) R	Non-compliant Collective investment schemes R	Non-compliant Insurance policies R	Derivative positions without residual risk R	Total R
Cash (including cash at bank)	43 014 311	42 013 581	0	14 792 333	52 321 751	(1 715 344)	150 426 632
Commodities	3 279 081		0	0	686 500	0	3 965 581
Debt instruments including Islamic debt instruments	7 944 096 276		0	8 976 750	363 980 436	0	8 317 053 462
Investment properties and owner occupied properties	0		6 279 296	5 481 934	319 310 563	0	331 071 793
Equities	956 411 407		(6 279 296)	1 705 484 046	81 497 549	1 715 344	2 738 829 050
Collective investment schemes	1 734 735 063		0	(1 734 735 063)	0	0	0
Insurance policies	817 796 799		0	0	(817 796 799)	0	0
TOTAL INVESTMENTS	**11 499 332 937**	**42 013 581**	**0**	**0**	**0**	**0**	**11 541 346 518**

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South Africa

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

To the Board of Fund of the Durban Pension Fund

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

We have undertaken our engagement in accordance with Section 15 of the Pension Funds Act No. 24 of 1956, as amended (the Act) in order to provide the Board of Fund of the Durban Pension Fund (the Fund) with a reasonable assurance opinion that Schedule IB "Assets held in compliance with Regulation 28" (the Schedule) on pages 97 to 106 at 31 December 2023 is prepared in all material[i] respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB),- (3)(j), (4), (8)(a) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) as at 31 December 2023.

The Board of Fund's responsibility for the Schedule

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

Our Independence and Quality Management

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

The firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the Schedule is prepared in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) and whether the Fund complies with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) based on performing a reasonable assurance engagement.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685
Chief Executive Officer: LD Mokoena

A full list of all company directors is available on www.bdo.co.za

The company's principal place of business is at The Wanderers Office Park, 52 Corlett Drive, Illovo, Johannesburg where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Auditor's Responsibility (continued)

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

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

Summary of work performed

We completed our audit of the annual financial statements of the Durban Pension Fund for the year ended 31 December 2023, prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, on which we issued an unmodified opinion on <insert date of auditor's report>. That audit was performed in accordance with International Standards on Auditing. Where appropriate, we have drawn on evidence obtained regarding information contained in the Schedule that has been extracted from the Fund's underlying accounting records that were the subject of our audit engagement on the annual financial statements and forms the subject matter of this engagement.

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

- Evaluating whether confirmations from financial institutions are in support of the records made available to us;
- Evaluating whether the investments are classified correctly per the categories of Schedule IB based on information obtained about the nature of investments from the financial institutions;
- Recalculating the percentages of assets held in relation to total assets; and
- Comparing the percentages calculated to the prescribed limits.

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

Opinion

In our opinion, the Schedule IB "Assets held in compliance with Regulation 28" at 31 December 2023 is prepared in all material respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) as at 31 December 2023.

Other matter – Compliance with regulations 28(3)(iA) and 28(8)(b)

Regulation 28(3)(iA) states that the aggregate exposure by a Fund to all issuers in respect of direct infrastructure, across all asset categories, excluding any debt instrument issued or guaranteed by the South African Government, may not exceed 45% of the aggregate fair value of the total assets of the Fund. Regulation 28(8)(b) requires the Fund to report its infrastructure assets, with respect to the top 20 holdings, in the format specified in Table 2. The definition of 'infrastructure' in the amended Regulation 28 as prescribed in Government Gazette No.46649 of 5 July 2022, which became effective on 3 January 2023 does not provide criteria for the identification and classification of infrastructure. As a result, compliance with Regulations 28(3)(iA) and 28(8)(b) was excluded from the scope of our assurance engagement. Our opinion is not modified in respect of this matter.

Restriction on use

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

BDO South Africa Inc.
Registered Auditors

Per: MI Lockhat
Director
Registered Auditor

Date: _____

Wanderers Office Park
52 Corlett Drive Illovo, 2196

SCHEDULE IB
DURBAN PENSION FUND
Registration number: 12/8/32435

Assets held in compliance with Regulation 28
For the period ended 31 December 2023

		R
A	**Total assets (Schedule IA - Total investments)**	**11 541 346 518**
B1	Less: Regulation 28 compliant investments (certificate received from issuing entity):-	0
	B1.1 Collective Investment Schemes (Regulation 28(8)(b)(i))	0
	B1.2 Linked policies (Regulation 28(8)(b)(ii))	0
	B1.3 Guaranteed policies (Regulation 28(8)(b)(iii))	0
	B1.4 Entity regulated by Financial Sector Conduct Authority (Regulation 28(8)(b)(iv))	0
B2	Less: Regulation 28 excluded investments	0
	B2.1 Insurance policies (Regulation 28(3)(c))	0
C	Less: Investments not disclosed or data not available for disclosure (IA.13)	0
D	**TOTAL ASSETS FOR REGULATION 28 DISCLOSURE**	**11 541 346 518**

Categories of kinds of assets	**%**	**Fair value R**	**Fair value %**
1 Cash	100%	150 426 632	1.30%
1.1 Local notes, deposits, money market instruments issued by a South African bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments	100%	136 947 046	1.19%
(a) Notes and coins, any balance or deposit in an account held with a South African bank	100%	79 578 798	0.69%
Nedbank Limited	25%	125 413 062	1.09%
(b) A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument	100%	759 703	0.01%
Absa Bank Ltd	25%	222 161	0.00%
(c) Any positive net balance in a margin account with an exchange	100%	290 288	0.00%
Safex	25%	290 288	0.00%
(d) Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets	100%	56 318 257	0.49%
Yieldx - Margin Account	25%	19 940 138	0.17%
1.2 Foreign balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments	SARB maximum limits	13 479 586	0.12%

SCHEDULE IB
DURBAN PENSION FUND
Registration number: 12/8/32435

Assets held in compliance with Regulation 28
For the period ended 31 December 2023

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
(a) Any balance or deposit held with a foreign bank		13 479 586	0.12%
Oggfran_1.2 (A)-Gsf Global Franchise Fund	5%	12 141 621	0.11%
(b) Any balance or deposit held with an African bank		0	0.00%
(c) A money market instrument issued by a foreign bank including an Islamic liquidity management financial instrument		0	0.00%
2 Debt Instruments including Islamic debt instruments	100% issued / guaranteed by Republic otherwise 75%	8 317 053 462	72.06%
2.1 Inside the Republic	75/100%	8 308 077 455	71.99%
(a) Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%	7 952 408 704	68.90%
(b) Debt instruments issued or guaranteed by the government of a foreign country	75%	0	0.00%
(c) Debt instruments issued or guaranteed by a South African bank against its balance sheet	75%	200 695 283	1.74%
(i) Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	200 681 919	1.74%
Firstrand Bank Ltd	25%	196 219 857	1.70%
(ii) Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%	0	0.00%
(iii) Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	0	0.00%
(iv) Not listed on an exchange	25%	13 364	0.00%
African Bank Ltd	5%	13 303	0.00%

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Categories of kinds of assets (continued)	%	Fair value R	Fair value %
(d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange, or debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed	50%	30 587 797	0.27%
(i) Listed on an exchange	50%	15 897 845	0.14%
Development Bank Of Sa Ltd	10%	11 731 342	0.10%
(ii) Not listed on an exchange	25%	14 689 952	0.13%
Transnet Soc Ltd	5%	10 120 799	0.09%
(e) Other debt instruments:	25%	124 385 671	1.08%
(i) Listed on an exchange	25%	4 213 199	0.04%
Transsec 5 (Rf) Ltd	5%	725 966	0.01%
(ii) Not listed on an exchange	15%	120 172 472	1.04%
Balance Of Assets:	5%	75 564 155	0.65%
2.2 Outside the Republic	SARB maximum limits	8 976 007	0.08%
(a) Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	SARB maximum limits	0	0.00%
(b) Debt instruments issued or guaranteed by the government of a foreign country	SARB maximum limits	8 976 007	0.08%
Orbis Mutual Funds	10%	8 976 007	0.08%
(c) Debt instruments issued or guaranteed by a South African bank against its balance sheet	SARB maximum limits	0	0.00%
(i) Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB maximum limits	0	0.00%
(ii) Listed on an exchange with an issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB maximum limits	0	0.00%
(iii) Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB maximum limits	0	0.00%
(iv) Not listed on an exchange	25%	0	0.00%

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Categories of kinds of assets (continued)	%	Fair value R	Fair value %
(d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	SARB maximum limits	0	0.00%
(i) Listed on an exchange	SARB maximum limits	0	0.00%
(ii) Not listed on an exchange	25%	0	0.00%
(e) Other debt instruments	25%	0	0.00%
(i) Listed on an exchange	25%	0	0.00%
(ii) Not listed on an exchange	15%	0	0.00%
3 Equities	75%	2 738 829 050	23.73%
3.1 Inside the Republic	75%	1 109 129 175	9.60%
(a) Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange	75%	1 093 717 035	9.47%
(i) Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	1 000 825 044	8.67%
Naspers Ltd	15%	70 887 112	0.61%
(ii) Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%	91 432 163	0.79%
Advtech Limited	10%	10 222 773	0.09%
(iii) Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	1 459 828	0.01%
Nampak Limited [Npk]	5%	617 297	0.01%
(b) Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	15 412 140	0.13%
Balance Of Assets:	2.5%	5 145 230	0.04%
3.2 Outside the Republic	SARB maximum limits	1 629 699 875	14.12%
(a) Preference and ordinary shares in companies, excluding shares in property companies, listed on an	SARB maximum limits	1 629 521 285	14.12%

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Categories of kinds of assets (continued)	%	Fair value R	Fair value %
exchange			
(i)Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB maximum limits	1 629 521 285	14.12%
Orbis Mutual Funds	15%	830 569 709	7.20%
(ii) Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB maximum limits	0	0.00%
(iii) Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB maximum limits	0	0.00%
(b) Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	178 590	0.00%
Orbis Mutual Funds	2.5%	178 590	0.00%
4 Immovable property	25%	331 071 793	2.87%
4.1 Inside the Republic	25%	331 071 793	2.87%
(a) Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a collective investment scheme in property, listed on an exchange	25%	12 524 472	0.11%
(i) Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%	11 162 587	0.10%
Redefine Properties Ltd	15%	3 345 305	0.03%
(ii) Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%	1 185 098	0.01%
Attacq Ltd	10%	412 507	0.00%
(iii) Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%	176 787	0.00%
Rmb Holdings Ltd	5%	166 002	0.00%
(b) Immovable property, preference and ordinary shares in property	15%	318 547 321	2.76%

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Categories of kinds of assets (continued)	%	Fair value R	Fair value %
companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange			
Community Property Holdings Ltd	5%	318 547 321	2.76%
4.2 Outside the Republic	25%	0	0.00%
(a) Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a collective investment scheme in property, listed on an exchange	25%	0	0.00%
(i) Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%	0	0.00%
(ii) Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%	0	0.00%
(iii) Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%	0	0.00%
(b) Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange	15%	0	0.00%
5 Commodities	10%	3 965 581	0.03%
5.1 Inside the Republic	10%	3 965 581	0.03%
(a) Kruger Rands and other commodities on an exchange, including exchange traded commodities	10%	3 965 581	0.03%
(i) Gold (including Kruger Rands)	10%	0	0.00%
(ii) Other commodities	5%	3 965 581	0.03%
New Gold Platinum Etf [Ngplt]	5%	3 965 581	0.03%
5.2 Outside the Republic	10%	0	0.00%
(a) Gold and other commodities on an exchange, including exchange traded	10%	0	0.00%

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Categories of kinds of assets (continued)	%	Fair value R	Fair value %
commodities			
(i) Gold	10%	0	0.00%
(ii) Other commodities	5%	0	0.00%
6 Investments in the business of a participating employer inside the Republic in terms of:		0	0.00%
(a) Section 19(4) of the Pension Funds Act	5%	0	0.00%
(b) To the extent it has been allowed by an exemption in terms of section 19(4A) of the Pension Funds Act	10%	0	0.00%
7 Housing loans granted to members in accordance with the provisions of section 19(5)	65%	0	0.00%
8 Hedge funds, private equity funds and any other asset not referred to in this schedule		0	0.00%
8.1 Inside the Republic		0	0.00%
(a) Hedge fund	10%	0	0.00%
(i) Funds of hedge funds	10%	0	0.00%
(ii) Hedge funds	10%	0	0.00%
(b) Private equity funds	15%	0	0.00%
(i) Funds of private equity funds		0	0.00%
(ii) Private equity funds		0	0.00%
(c) Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2.5%	0	0.00%
8.2 Outside the Republic		0	0.00%
(a) Hedge fund	10%	0	0.00%
(i) Funds of hedge funds	10%	0	0.00%
(ii) Hedge funds	10%	0	0.00%
(b) Private equity funds	15%	0	0.00%
(i) Funds of private equity funds		0	0.00%
(ii) Private equity funds		0	0.00%
(c) Other assets not referred to in this schedule and excluding a hedge fund	2.5%	0	0.00%

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Categories of kinds of assets (continued)	%	Fair value R	Fair value %
or private equity fund			
TOTAL (Regulation 28) (D above)		**11 541 346 518**	**100%**

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Investment summary (Regulation 28)

		Local	Percentage of fair value	Foreign	Percentage of fair value	Total
		R	%	R	%	R
1	Balances or deposits, money market instruments issued by a bank including Islamic liquidity management financial instruments	136 947 046	1.19%	13 479 586	0.12%	150 426 632
2	Debt instruments including Islamic debt instruments	8 308 077 455	71.99%	8 976 007	0.08%	8 317 053 462
3	Equities	1 109 129 175	9.61%	1 629 699 875	14.12%	2 738 829 050
4	Immovable property	331 071 793	2.87%	0	0.00%	331 071 793
5	Commodities	3 965 581	0.03%	0	0.00%	3 965 581
6	Investment in the business of a participating employer	0	0.00%			0
7	Housing loans granted to members - section 19(5)	0	0.00%			0
8	Hedge funds, private equity funds and any other assets not referred to in this schedule	0	0.00%	0	0.00%	0
9	Fair value of assets to be excluded in terms of sub-regulations 3(c) and (8)(b) of Regulation 28	0	0.00%	0	0.00%	0
10	Investments not disclosed or data not available for disclosure	0	0.00%	0	0.00%	0
	TOTAL (equal to the fair value of assets)	**9 889 191 050**	**85.68%**	**1 652 155 468**	**14.32%**	**11 541 346 518**

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

Breaches in terms of sub-regulation 3 of Regulation 28

Description	Total (Inside and Foreign) R	Percentage of fair value %	Regulation 28 limits %
Asset limits in terms of sub-regulation 3(f)			
Other debt instruments not listed	120 172 472	1.04%	
Equities not listed	15 590 730	0.14%	
Immovable properties not listed	318 547 321	2.76%	
Hedge funds, private equity funds and other assets	0	0.00%	
TOTAL	**454 310 523**	**3.94%**	**45%**
Asset limits in terms of sub-regulation 3(g)			
Equities not listed	15 590 730	0.14%	
Private equity funds	0	0.00%	
TOTAL	**15 590 730**	**0.14%**	**20%**
Asset Limits in terms of Sub-regulation 3(h)			
Overall limit for all instruments per entity/issuer (local and or foreign) (excluding debt instruments issued by, and loans to, the government of Republic and any debt or loan guaranteed by the Republic)	**0**	**0.00%**	**25%**