



....AS AT 31 JANUARY 2019

APPLICABLE TO PROVIDENT SECTION MEMBERS

The audit of the Fund's financial statements for the year ended 31 January 2019 has been completed and approved by the trustees. A fund is classified as a large fund if the fund's total assets exceed R50 million. The fund is therefore required to appoint an auditor; and have its financial statements audited and reported on by an auditor.

The registered auditor for the Fund is VVR Incorporated. The Fund has complied with legislation by submitting the audited financial statements for the year ended 31 January 2019 to the Financial Sector Conduct Authority.

The purpose of this document is to give you a summary of the financial statements as follows:

MEMBERSHIP

| | Active members | Unclaimed benefits |
|--|---------------------|-----------------------|
| Number at the beginning of year | 3 327 | 162 |
| Adjustments | (14) | (6) |
| - Depleted member records | - | (6) |
| - Take on difference | (14) | - |
| Additions | 631 | - |
| Transfers in | 1 | - |
| Transfers out | (9) | - |
| Withdrawals | (508) | (6) |
| Retirements | (9) | - |
| Retrenchments | (15) | - |
| Deaths | (8) | - |
| Status changed to paid up | - | (1) |
| Number at the end of the year | <u>3 396</u> | <u>149</u> |
| Number at end of the year (South African citizen) | 3 396 | 149 |

INVESTMENT SUMMARY (MOVEMENT IN THE ASSETS)

| | Note | Members' individual accounts & Amounts to be allocated R | Reserve accounts Refer note 16 R | Current year 2019 R | Previous year 2018 R |
|---|------|---|--|---------------------------|----------------------------|
| Contributions received and accrued | 10 | 75 394 916 | 1 701 861 | 77 096 777 | 69 020 368 |
| Reinsurance proceeds | | 2 239 787 | - | 2 239 787 | 3 638 546 |
| Net investment income | 11 | (12 938 591) | - | (12 938 591) | 34 309 213 |
| Allocated to unclaimed benefits | 8 | (184 866) | - | (184 866) | - |
| Other income | 12 | 126 306 | 44 511 | 170 817 | 391 |
| Less: | | (6 466 049) | (1 464 166) | (7 930 215) | (7 357 640) |
| Re-insurance premiums | | (4 546 987) | - | (4 546 987) | (3 838 269) |
| Administration expenses | 13 | (1 919 062) | (1 464 166) | (3 383 228) | (3 519 371) |
| Net income before transfers and benefits | | 58 171 503 | 282 206 | 58 453 709 | 99 610 878 |
| Transfers and benefits | | (63 242 178) | - | (63 242 178) | (33 474 600) |
| Transfer from other funds | 5 | 1 273 082 | - | 1 273 082 | 20 332 058 |
| Transfer to other funds | 6 | (361 228) | - | (361 228) | (4 332 790) |
| Benefits | 7 | (64 154 032) | - | (64 154 032) | (49 473 868) |
| Net (loss)/income after transfers and benefits | | (5 070 675) | 282 206 | (4 788 469) | 66 136 278 |
| Funds and reserves | | | | | |
| Balance at the beginning of the year | 16 | 422 499 259 | 2 617 520 | 425 116 779 | 361 822 361 |
| Investment return allocated | | - | - | - | (1 103 506) |
| Current members | | - | - | - | (810 948) |
| Unclaimed benefits | | - | - | - | (183 584) |
| Surplus and reserves accounts | 16 | - | - | - | (108 974) |
| Surplus apportionment | 16 | - | - | - | (151 653) |
| Employer surplus apportionment | | - | - | - | (1 750 000) |
| Reallocation net investment return | | (230 170) | 93 295 | (136 875) | 163 299 |
| Employer surplus account | | - | - | - | 163 299 |
| Member surplus account | | - | - | - | - |
| Investment return allocated | | (230 170) | 93 295 | (136 875) | - |
| Balance at the end of the year | | 417 198 414 | 2 993 021 | 420 191 435 | 425 116 779 |

STATEMENT OF NET ASSETS AND FUNDS

| | 31 January 2019 | 31 January 2018 |
|---|--------------------|--------------------|
| | R | R |
| ASSETS | | |
| Non-current assets | | |
| Investments | 426 880 890 | 423 939 480 |
| Current assets | 8 904 709 | 12 136 616 |
| Transfers receivable | 62 650 | - |
| Accounts receivable | 41 662 | 25 461 |
| Arrear contributions | 6 765 812 | - |
| Cash at bank | 2 034 585 | 12 111 155 |
| Total assets | 435 785 599 | 436 076 096 |
| FUNDS AND LIABILITIES | | |
| Members' funds and surplus account | | |
| Members' individual accounts | 410 172 853 | 421 726 956 |
| Amounts to be allocated | 7 025 561 | 772 303 |
| Reserves | | |
| Reserve accounts | 2 993 021 | 2 617 520 |
| Total funds and reserves | 420 191 435 | 425 116 779 |
| Non-current liabilities | | |
| Employer surplus account | 1 875 229 | 1 738 354 |
| Unclaimed benefits | 2 842 555 | 2 729 324 |
| Current liabilities | 10 876 380 | 6 491 639 |
| Benefits payable | 9 091 426 | 5 688 470 |
| Accounts payable | 1 784 954 | 784 276 |
| Contributions refundable | - | 18 893 |
| Total funds and liabilities | 435 785 599 | 436 076 096 |

CONTACT DETAILS

The following Fund representatives are available to you should you have any questions regarding the contents of this communication:

- Senior HR Specialist, Retirement Funds: Sally Diack - sally.diack@za.dsv.com
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