

**KZN MUNICIPAL PENSION FUND  
FINANCIAL SECTOR CONDUCT AUTHORITY REGISTRATION NUMBER 12/8/36983**

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

**FOR THE FINANCIAL REPORTING PERIOD ENDED 30 JUNE 2024**

**KZN MUNICIPAL PENSION FUND**

**ANNUAL FINANCIAL STATEMENTS**

**For the financial reporting period ended 30 June 2024**

**Financial Sector Conduct Authority registration number 12/8/36983**

**South African Revenue Service approval number: 18/20/4/041307**

<b>SCHEDULE</b>	<b>CONTENTS</b>	<b>PAGE</b>
A	Regulatory Information*	3
B	Statement of Responsibility by the Board of Fund *	17
C	Statement of Responsibility by the Principal Officer*	19
D	Independent Auditor's Report to the Board of Fund	20
E	Report of the Board of Fund*	23
F	Statement of Net Assets and Funds	34
G	Statement of Changes in Net Assets and Funds	35
HA	Notes to the Annual Financial Statements	36
HB	Report of the Valuator*	62
I	Report of the Independent Auditors to the Board of Fund and the Financial Sector Conduct Authority	65
IA	Schedules to the Annual Financial Statements*	95
IB	Assets held in Compliance with Regulation 28 and the Report of the 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	121

\*Not subject to any engagement by an auditor

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

**Registered office of the Fund**

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

**Financial reporting periods**

Current period:	01 July 2023 to 30 June 2024
Previous period:	01 July 2022 to 30 June 2023

<b>Board of Fund</b>	<b>Email address</b>	<b>Capacity</b>	<b>Date appointed or re-appointed</b>	<b>Date resigned</b>
<b>Employer appointed Board Member</b>				
B Fortein	barbara.fortein742@gmail.com	Appointed	17/01/2022	
PC Ndlovu	philli.mbatha@gmail.com	Appointed	21/11/2022	
TE Nyawose	Thabani.Nyawose@durban.gov.za	Appointed	17/01/2022	
<b>Member elected Board Member</b>				
P Babu-Dayal	pdayal127@gmail.com	Elected	01/07/2019	30/06/2024
S Dlamini	sthembile.dlamini@durban.gov.za	Vice-Chairperson	01/07/2024	
X Gabela	xolani.gabela@durban.gov.za	Elected	01/07/2019	30/06/2024
K Gama	khanyig@kznmprf.org	Chairperson	01/07/2024	
S Mbatha	Sithembiso.Mbatha@durban.gov.za	Elected	01/07/2024	
TN Naidoo	rickynaidoo19@gmail.com	Elected	01/03/2021	30/06/2024
NC Ndlovu	connie.Ndlovu@durban.gov.za	Elected	01/07/2024	
S Ngubane	S'bongiseni.Ngubane@durban.gov.za	Elected	01/07/2024	
S Ntuli	Siphokuhle.Ntuli@durban.gov.za	Elected	01/07/2024	

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

<b>Meeting date</b>	<b>Place of meeting</b>	<b>Quorum (yes/no)</b>
04/07/2023	Front Office Boardroom, Walnut Road Durban via MS Teams	Yes
03/10/2023	Front Office Boardroom, Walnut Road Durban	Yes
06/12/2023	Front Office Boardroom, Walnut Road Durban	Yes
27/03/2024	Front Office Boardroom, Walnut Road Durban via MS Teams	Yes
23/04/2024	Front Office Boardroom, Walnut Road Durban via MS Teams	Yes
22/05/2024	Front Office Boardroom, Walnut Road Durban via MS Teams	Yes
27/06/2024	Optimate Offices, 2 Ncodo Place Ridgeside, Umhlanga Ridge	Yes

**SCHEDULE A  
KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Fund Officers**

**Principal Officer**

---

Name: T Mketelwa

Postal address:  
PO Box 1014  
Durban  
4000  
South Africa

Physical address:  
KZN Municipal Pension Fund  
16th Floor The Marine  
Durban  
4001

Telephone number: +27 (0)31 322 9002  
Email address: thomas@kznmpf.org  
Date appointed: 01/03/2019

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

---

Name: T Mketelwa

Postal address:  
PO Box 1014  
Durban  
4000  
South Africa

Physical address:  
KZN Municipal Pension Fund  
16th Floor The Marine  
Durban  
4001

Telephone number: +27 (0)31 322 9002  
Email address: thomas@kznmpf.org  
Date appointed: 01/03/2019

**Professional service providers**

**Valuator**

---

Name: B J De Kock  
Qualifications: BComm (Cum Laude), BCommHons, FASSA, FIA  
Organisation: Alexander Forbes Financial Services Proprietary Limited

Postal address:  
P O Box 253  
Cape Town  
8000  
South Africa

Physical address:  
Block A  
The Boulevard  
Searle Street  
Woodstock  
7925  
South Africa

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

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Professional service providers**

**Auditors**

---

Full name: SizweNtsalubaGobodo Grant Thornton Inc.  
Qualifications: Registered Auditor

Postal address:	Physical address:
Building 4	Building 4
Summit Place Office Park	Summit Place Office Park
221 Garsfontein Road	221 Garsfontein Road
Menlyn	Menlyn
0081	0081
South Africa	South Africa

Telephone number: +27(0)86 117 6782  
Email address: Darshen.Govender@sng.gt.com

**Benefit administrator**

---

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

Postal address:	Physical address:
P O Box 782	10 Torsvale Crescent
Umhlanga Rocks	Torsvale Park
4320	La Lucia Ridge Office Estate
South Africa	La Lucia
	4051
	South Africa

Telephone number: +27 (0)31 573 8000  
Date resigned: 30/06/2024

**Fund consultant**

---

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

Postal address:	Physical address:
P O Box 782	10 Torsvale Crescent
Umhlanga Rocks	Torsvale Park
4320	La Lucia Ridge Office Estate
South Africa	La Lucia
	4051
	South Africa

Telephone number: +27 (0)31 573 8000

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Alexander Forbes Investments Limited  
FAIS registration number: 711

Postal address:	Physical address:
P O Box 786055	Alexander Forbes
Sandton	115 West Street
2146	Sandown
South Africa	2196
	South Africa

Telephone number: +27 (0)11 505 6115

**Investment administrator**

---

Full name: Argon Asset Management Proprietary Limited  
FAIS registration number: 835

Postal address:	Physical address:
P O Box 23254	1st Floor
Claremont	Colinton House
7735	1 Oakdale Rd
South Africa	Newlands
	7700
	South Africa

Telephone number: +27 (0)21 670 6570

**Investment administrator**

---

Full name: Ascension Capital Partners Fund Managers Proprietary Limited  
FAIS registration number: 53207

Postal address:	Physical address:
Die Groenhuis	Die Groenhuis
38 Garsfontein Road	38 Garsfontein Road
Waterkloof	Waterkloof
0145	0145
South Africa	South Africa

Telephone number: +27(0)12 880 2490

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: ATA Capital Proprietary Limited  
FAIS registration number: 46869

Postal address:	Physical address:
9th Floor	9th Floor
90 on Grayston Drive	90 on Grayston Drive
Sandown	Sandown
Sandton	Sandton
2196	2196
South Africa	South Africa

Telephone number: +27 (11) 722 7317

**Investment administrator**

---

Full name: Avior Capital Markets Proprietary Limited  
FAIS registration number: 45814

Postal address:	Physical address:
P O Box 651856	11th Floor, South Tower
Benmore	140 West Street
Sandton	Sandton
2010	2146
South Africa	South Africa

Telephone number: +27(0)21 440 5961

**Investment administrator**

---

Full name: BlackRock Investment Management (UK) Limited  
FAIS registration number: 43288

Postal address:	Physical address:
Dock Road Junction Corner Stanley & Dock Road	Dock Road Junction Corner Stanley & Dock Road
V&A Waterfront	V&A Waterfront
Cape Town	Cape Town
8001	8001
South Africa	South Africa

Telephone number: +27 (0)21 403 6446

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Camissa Asset Management Proprietary Limited  
FAIS registration number: 784

Postal address:  
P O Box 1016  
Cape Town  
7708  
South Africa

Physical address:  
5th Floor  
Montclare Place  
cnr Campground and Main Roads  
Claremont  
8001  
South Africa

Telephone number: +27 (0)21 673 6303

**Investment administrator**

---

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

Postal address:  
P O Box 44684  
Claremont  
7735  
South Africa

Physical address:  
7th Floor  
Montclare Place  
Cnr Campground and Main Roads  
Claremont  
Cape Town  
7708  
South Africa

Telephone number: +27 (0)21 680 2099

**Investment administrator**

---

Full name: Infra Impact Investment Managers Proprietary Limited  
FAIS registration number: 872

Postal address:  
Unit 1E 1st Floor Matrix Building  
8 Bridgeways Precinct  
Century City  
Cape Town  
7441  
South Africa

Physical address:  
Unit 1E 1st Floor Matrix Building  
8 Bridgeways Precinct  
Century City  
Cape Town  
7441  
South Africa

Telephone number: +27(0)72 182 6585

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Lima Mbeu Investment Managers Proprietary Limited  
FAIS registration number: 49018

Postal address:  
2nd floor, Fredman Towers  
13 Fredman Drive  
Sandton  
2196  
South Africa

Physical address:  
2nd floor, Fredman Towers  
13 Fredman Drive  
Sandton  
2196  
South Africa

Telephone number: +27 (0)10 023 0113

**Investment administrator**

---

Full name: M&G Investment Managers Proprietary Limited  
FAIS registration number: 45199

Postal address:  
P O Box 23167  
Claremont  
Cape Town  
7735  
South Africa

Physical address:  
7th Floor, Protea Place  
30 Dreyer Street  
Claremont  
Cape Town  
7708  
South Africa

Telephone number: +27 (0)21 670 5100

**Investment administrator**

---

Full name: Mahlako-A-Phahla Financial Services Proprietary Limited  
FAIS registration number: 47512

Postal address:  
345 Rivonia Road  
First Floor, North Wing  
Rivonia  
Johannesburg  
2025  
South Africa

Physical address:  
345 Rivonia Road  
First Floor, North Wing  
Rivonia  
Johannesburg  
2025  
South Africa

Telephone number: +27(0)11 706 3902

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Mazi Asset Management Proprietary Limited  
FAIS registration number: 46405

Postal address:	Physical address:
P O Box 784583	4th Floor North Wing
Sandton	90 Rivonia Road
2146	Sandton
South Africa	2196
	South Africa

Telephone number: +27 (0)10 001 8300

**Investment administrator**

---

Full name: Meago Trading Proprietary Limited  
FAIS registration number: 24919

Postal address:	Physical address:
P O Box 1180	73 Oxford Road
Edenvale	Saxonwold
1620	2196
South Africa	South Africa

Telephone number: +27 (0)11 646 2944

**Investment administrator**

---

Full name: Mergence Investment Managers Proprietary Limited  
FAIS registration number: 16134

Postal address:	Physical address:
P O Box 8275	2nd Floor
Roggebaai	Dockside Cruise Terminal
8012	Duncan Road
South Africa	V&A Waterfront
	8005
	South Africa

Telephone number: +27 (0)21 433 2960

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Mianzo Asset Management Proprietary Limited

FAIS registration number: 43114

Postal address:  
The Forum  
Unit Ego1, Vesta House  
Northbank Lane  
Century City  
7441  
South Africa

Physical address:  
The Forum  
Unit Ego1, Vesta House  
Northbank Lane  
Century City  
7441  
South Africa

Telephone number: +27 (0)21 552 3555

**Investment administrator**

---

Full name: Mila Risk Management Solutions Proprietary Limited

FAIS registration number: 48090

Postal address:  
P O Box 30030  
Crowthorne  
1685  
South Africa

Physical address:  
Building 9  
Thornhill Office Park  
94 Bekker Road  
Midrand  
1686  
South Africa

Telephone number: +27 (0) 822 8340

**Investment administrator**

---

Full name: MSM Property Fund Proprietary Limited

FAIS registration number: 45939

Postal address:  
We Work Offices  
155 West  
Sandton  
2196  
South Africa

Physical address:  
We Work Offices  
155 West  
Sandton  
2196  
South Africa

Telephone number: +27(0)84 200 7527

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

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

Postal address:  
P O Box 1655  
Cape Town  
8000  
South Africa

Physical address:  
Merchant House  
19 Dock Road  
Victoria & Alfred Waterfront  
Cape Town  
8001  
South Africa

Telephone number: +27 (0)21 901 1932

**Investment administrator**

---

Full name: Old Mutual Life Assurance Company South Africa Limited  
FAIS registration number: 703

Postal address:  
P O Box 66  
Cape Town  
8000  
South Africa

Physical address:  
Mutualpark  
Jan Smuts Drive  
Pinelands  
7405  
South Africa

Telephone number: +27 (0)21 509 2474

**Investment administrator**

---

Full name: Peresec Prime Brokers Proprietary Limited  
FAIS registration number: 18826

Postal address:  
P O Box 650361  
Benmore  
2010  
South Africa

Physical address:  
10th Floor  
Katherine Towers  
1 Park Lane  
Wierda Valley  
Sandton  
2196  
South Africa

Telephone number: +27(0)11 722 7500

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Prescient Investment Management Proprietary Limited  
FAIS registration number: 612

Postal address:  
P O Box 31142  
Tokai  
Cape Town  
7966  
South Africa

Physical address:  
Prescient  
Steenberg Office Park  
Block B, Silverwood  
Silverwood Lane  
Tokai  
7945  
South Africa

Telephone number: +27 (0)21 700 5463

**Investment administrator**

---

Full name: Sanlam Investment Management Proprietary Limited  
FAIS registration number: 579

Postal address:  
Private Bag X8  
Tyger Valley  
7536  
South Africa

Physical address:  
55 Willie van Schoor Avenue  
Tyger Valley  
Bellville  
7530  
South Africa

Telephone number: +27 (0)21 950 2695

**Investment administrator**

---

Full name: Stanlib Asset Management Proprietary Limited  
FAIS registration number: 719

Postal address:  
P O Box 202  
Melrose Arch  
2076  
South Africa

Physical address:  
17 Melrose Boulevard  
Melrose Arch  
2196  
South Africa

Telephone number: +27 (0)11 448 5385

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Sygnia Asset Management Proprietary Limited  
FAIS registration number: 873

Postal address:  
P O Box 51591  
V&A Waterfront  
8002  
South Africa

Physical address:  
7th Floor  
The Foundry  
Cardiff Street  
Green Point  
Cape Town  
8001  
South Africa

Telephone number: +27 (0)21 446 5402

**Investment administrator**

---

Full name: Taquanta Asset Managers Proprietary Limited  
FAIS registration number: 618

Postal address:  
P O Box 23540  
Claremont  
7735  
South Africa

Physical address:  
7th Floor Newlands Terraces  
8 Boundary Road  
Newlands  
Cape Town  
7700  
South Africa

Telephone number: +27 (0)21 681 5175

**Investment administrator**

---

Full name: Umthombo Wealth Proprietary Limited  
FAIS registration number: 44802

Postal address:  
Suite 14 2nd Floor  
Katherine & West Building  
114 West Street  
Sandton  
2196  
South Africa

Physical address:  
Suite 14 2nd Floor  
Katherine & West Building  
114 West Street  
Sandton  
2196  
South Africa

Telephone number: +27(0)11 318 0171

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Investment administrator**

---

Full name: Vuna Partners Proprietary Limited

FAIS registration number: 50912

Postal address:  
Third Floor  
Global House  
28 Sturdee Avenue  
Rosebank  
2196  
South Africa

Physical address:  
Third Floor  
Global House  
28 Sturdee Avenue  
Rosebank  
2196  
South Africa

Telephone number: +27(0)82 968 4689

**Investment administrator**

---

Full name: Vunani Fund Managers Proprietary Limited

FAIS registration number: 608

Postal address:  
P O Box 44586  
Claremont  
7735  
South Africa

Physical address:  
1 st Floor, Cavendish Link  
Cavendish Street  
Claremont  
Cape Town  
8000  
South Africa

Telephone number: +27 (0)21 670 4993

**Investment advisor**

---

Full name: Optimate Financial Solutions Proprietary Limited

FAIS registration number: 20223

Postal address:  
Spaces  
2 Ncondo Place  
Umhlanga Ridge  
4319  
South Africa

Physical address:  
Spaces  
2 Ncondo Place  
Umhlanga Ridge  
4319  
South Africa

Telephone number: +27 (31) 830 5354

**SCHEDULE A**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Regulatory Information**

For the period ended 30 June 2024

---

**Risk insurer**

---

Full name: BrightRock Life Limited  
FSP approval number: 11643

Postal address:  
Postnet Suite #280  
Private Bag x30500  
Houghton  
2041  
South Africa

Physical address:  
Building D  
The Sunnyside Office Park  
Parktown  
Johannesburg  
2193  
South Africa

Telephone number: +27(0)10 003 2162  
Date resigned: 31/08/2023

**Risk insurer**

---

Full name: Sanlam Life Insurance Limited  
FSP approval number: 2759

Postal address:  
P O Box 1  
Sanlamhof  
7532  
South Africa

Physical address:  
Sanlam Head Office  
2 Strand Street  
Bellville  
7532  
South Africa

Telephone number: +27 (0)21 947 2449  
Date appointed: 01/09/2023

**Custodian/Nominee**

---

Full name: The Standard Bank of South Africa Limited  
FSP approval number: 11287

Postal address:  
P O Box 2453  
Johannesburg  
2000  
South Africa

Physical address:  
The Standard Bank Centre  
7th Floor  
5 Simmonds Street  
Johannesburg  
2000  
South Africa

Telephone number: +27 (0)11 636 1781

**Participating employer**

---

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

eThekweni Municipality

**SCHEDULE B**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Statement of Responsibility by the Board of Fund**  
For the period ended 30 June 2024

---

**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 KZN Municipal 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 23 to 61 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, SizweNtsalubaGobodo Grant Thornton Inc., 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 20 to 22.

**SCHEDULE B**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Statement of Responsibility by the Board of Fund**  
For the period ended 30 June 2024


---

**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 04.12.2024;
- 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 30 June 2024 as well as the results of its activities for the period then ended; and
- are signed on behalf of the Board of Fund by:

  
\_\_\_\_\_  
B Fortein  
Chairperson

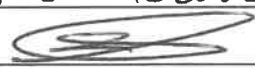
Place: Durban

Date: 13/12/2024

  
\_\_\_\_\_  
Name: Stembile Dlanini  
Board Member

Place: Durban

Date: 13/12/2024

PHUSIWE NDLOVU  
\_\_\_\_\_  
Name:   
Board Member

Place: Durban


Date: 13/12/2024

**SCHEDULE C**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Statement of Responsibility by the Principal Officer**  
For the period ended 30 June 2024

---

I confirm that, for the period under review, KZN Municipal 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.

  
\_\_\_\_\_  
T Mketelwa  
Principal Officer  
Place: Durban  
Date: 11/12/2024

**SCHEDULE D**  
**KZN MUNICIPAL PENSION FUND**  
**Registration number: 12/8/36983**

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF FUND OF THE KZN MUNICIPAL PENSION FUND**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

***Opinion***

We have audited the financial statements of KZN Municipal Pension Fund ("the Fund") set out on pages 34 to 61, which comprise the statement of net assets and funds as at 30 June 2024 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 KZN Municipal Pension Fund for the year ended 30 June 2024 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.

---

Victor Sekese [Chief Executive]

A comprehensive list of all Directors is available at the company offices or registered office

SNG Grant Thornton are a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered independently by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

SizweNtsalubaGobodo Grant Thornton Incorporated Registration Number: 2005/034639/21

***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 July 2023 to 30 June 2024 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 judgment 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.

***Auditor's Responsibilities for the Audit of the Financial Statements(continued)***

- 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 were 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.



**SizweNtsalubaGobodo Grant Thornton Inc.**

**Darshen Govender**

**Director**

**Registered Auditor**

**18 December 2024**  
**Building 4, Summit Place**  
**Office Park, 221**  
**Garstfontein Road,**  
**Menlyn, 0081**

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

**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 contribution Fund and includes In-Fund Living Annuitants.

**Benefits**

*Fund benefits*

The objective of the Fund is to provide retirement and other benefits for employees and former employees of the Fund and of municipalities in the province of KwaZulu Natal, and benefits in the event of their death.

*Unpaid benefits*

*Unpaid* benefits are held in the books of the Fund for a period of up to two years to allow for the beneficiary to claim their benefit. Should the benefit not be claimed within this time period, the benefit shall be made unclaimed.

*Deferred Retirement benefits*

Deferred retirement is when a member who has retired from service with the employer, elects that his retirement benefit shall be retained in the Fund until his election date. The election date will be the date on which the deferred retiree member elects to receive payment of his benefit.

*Paid Up and In-Fund Preservation benefits*

If a member who has not reached normal retirement date leaves service in circumstances not provided elsewhere in the Rules, he shall become a preserved member. The Fund allows for default in-fund preservation. The preserved benefit shall become payable on or after the preserved member attains normal retirement age, on death, elects to be paid as a lumpsum or elects transfer to an approved fund.

*Unclaimed benefits*

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

*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:

- if a potential beneficiary approaches the Fund at any stage the Board of Fund shall consider the 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 as at the date of payment to the beneficiary is in excess of tracing costs, and any costs incurred by the Fund in the administration of such benefit; or

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

- 
- 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 in terms of this Rule is in excess of tracing costs, and any costs incurred by the Fund in the administration 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 taken into account in the calculation of the benefits payable to such beneficiaries.

*Beneficiary benefits*

Strategy of Board of Fund towards beneficiary benefits.

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

**Contributions**

*Members' contributions*

Each member may elect to contribute to the Fund at a rate of 5%, 7.5%, 9%, 12%, 15% or 18% of their Fund salary.

A member may make additional contributions to the Fund, in order to secure greater benefits in accordance with such conditions and procedures as the Board of Fund may prescribe from time to time.

*Employers' contributions*

The municipality makes contributions towards the retirement benefit of each member in its service at the rate of 9% of member's fund salary. In addition the municipality contributes a further 9% of each member's fund salary, less any cost of death, disability and funeral arrangement. This amount is applied to meet the cost of the insured portion and the Funds' expenses. Should the additional 9% less any cost of death, disability and funeral arrangements exceed the cost of the insured portion and Fund's expenses; the excess will be allocated towards the members retirement funding.

**Rule amendments**

<b>Rule amendment no.</b>	<b>Date of Board of Fund's resolution</b>	<b>Effective date</b>	<b>Date registered by the Financial Sector Conduct Authority</b>
Rule amendment no.4	27/06/2024	01/09/2024	30/08/2024

*Rule amendment no.4*

With effect 1 September 2024, the Rules of the Fund were amended for the reason set out below:

- ensuring that the Member's Fund Credit as at 31 August 2024 will form the Member's vested component and may be available to the Member should he exit the Fund prior to retirement;
- ensuring that all contributions made by and on behalf of the Member that are due and payable with effect from 1 September are split between retirement component and savings component as required by legislation;

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

- making provision for a withdrawal from retirement component should be Member so elect; and
- ensuring that Members may not access their total value of their retirement component prior to retirement.

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

*Risk reserve account*

This reserve account shall be maintained by the Fund since the Fund itself carries part of the risk related to the payment of the Insured death, insured disability and insured terminal illness benefits.

This reserve account shall be:

credited with:

- an opening balance as decided by the actuary in consultation with the Board of Fund;
- portion of the employer contributions to cover the cost of the insured death benefit, the insured disability benefit, the terminal illness benefit, the disability arrangement and the funeral benefits;
- such portion of the excess employer contribution of 9% of fund salary, after allowing for the risk and administration expenses, as decided by the actuary and agreed to by the Board of Fund;
- any reinsurance payments made to the fund by the registered insurer; and
- such amounts as may be decided by the actuary from time to time.

debited with:

- payments made on the death, disablement or terminal illness of a member;
- premiums payable to a registered insurer to maintain the risk benefits payable on death, disablement or terminal illness;
- any amount required to meet a shortfall in the employer contribution towards risk and expenses;
- expenses incurred in the management of the risk benefits payable on death, disablement and terminal illness; and
- such amounts as may be decided from the actuary from time to time.

The risk reserve account is credited with the investment return earned on the assets within this account.

The assets of the risk reserve account are currently invested in the Money Market portfolio.

For the period from 1 July 2017 to 31 December 2017, the Fund paid 40% of all death benefit claims and the remaining 60% of these claims were paid by the reinsurer. Premiums were split in the same proportion. With effect from 1 January 2018, the Board of Fund decided to extend the partially self insured death benefit. The Fund paid 50% of all death claims and the remaining 50% of these claims were paid by the reinsurer.

Premiums are based on rates decided by the Board of Fund.

The balance in the Risk Reserve is increased or decreased by the investment return earned on the assets within this account.

The terminal illness and temporary disability benefits were fully self-insured for the duration of the valuation period.

The balance of the Risk reserve account as at 2024 was R260 767 506 (R223 102 007 as at 2023).

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

*Pension account*

The Pension account in relation to a particular pensioner shall be:

credited with the amount transferred to secure a pension from the Fund for the pensioner;

debited with:

- pension payments;
- any lump sum payments to the pensioner;
- any amounts transferred to a registered insurer to purchase an annuity for the pensioner; or
- any expenses of any nature including but not limited to the cost of administration and any advice provided to the pensioner in terms of investing his pension, the insurance premiums, taxes or other charges determined by the trustees and charged by the Fund in respect of the pension provided from this account;

increased or decreased by the investment return earned on the portfolio or portfolios in which the assets in this account are invested.

It is specifically provided that the Fund's liability in respect of a pension payable in relation to a pensioner is limited at any time to the balance in the Pension account. The balance on the Pension account at 2024 was R1 452 455 978 (R1 245 060 066 at 2023).

**2. Investments**

**Investment strategy**

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:

*General principles*

The general investment principles of the Fund in operation at the reporting date, are to achieve a long term investment return in excess of the consumer price index, and to limit the risk of capital depreciation through a diversified investment portfolio (see Schedule IA) of investments.

*Individual member choice*

The default investment strategy for active members is the KZN Lifestage Model and for the In-Fund Annuitants is 50% KZN Managed Fund portfolio and 50% KZN Defensive Fund portfolio.

Members are also given individual choice should they wish not to be invested in the default KZN Lifestage Model applicable to their age, hence selecting portfolios that would achieve optimum return, taking into account associated risks. Overall responsibility for investment and performance lies with the Board of Fund.

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

All portfolios are administered on an investment platform managed and run by Sygnia Asset Management Proprietary Limited. Members are given the option of selecting:

- KZN Aggressive Fund portfolio
- KZN Defensive Fund portfolio
- KZN Islamic Fund portfolio
- KZN Managed Fund portfolio
- KZN Money Market Fund portfolio
- KZN Global Balanced portfolio

*Claims in progress*

All unpaid benefits are held in the Fund's bank account until they are either paid to the beneficiaries or made unclaimed.

*Deferred Retirements*

Members may choose to invest in the default portfolios in the Lifestage Model or as per the portfolio listed under individual member choice. If a member makes no choice, they default in the same portfolio as active membership.

*Preserved members*

Members may choose to invest in the default portfolios in the Lifestage Model or as per the portfolio listed under individual member choice. If a member makes no choice, they default in the same portfolio as active membership.

*Pensioners*

The In-Fund Annuitants investment strategy adopted by the Board of Fund is:

- KZN Defensive Fund portfolio
- KZN Global Balanced portfolio
- KZN Managed Fund portfolio
- KZN Money Market Fund portfolio
- KZN Islamic Fund portfolio

An exemption had been granted in respect of the Fund to include the KZN Islamic Fund portfolio and this option is therefore offered to members who wish to include this as one of their member individual choice portfolios in respect of the In-Fund Annuitants. The Fund was therefore allowed to offer 5 of the 6 member choice portfolios to the In-Fund Annuitants.

*Unclaimed benefits*

The Board of Fund elected to invest unclaimed benefit funds in the KZN Money Market Fund.

*Risk Reserve Account*

The Board of Fund elected to invest the Risk Reserve Account in the KZN Money Market Fund.

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

**Management of investments**

The Fund invests the Fund's assets according to a default Lifestage Model (known as the KZN Lifestage Model) comprising of the KZN Managed Fund and the KZN Moderate Fund. Members are switched (by way of quarterly switches) from the KZN Managed Fund to the KZN Moderate Fund from 5 years prior to normal retirement age until they are 2 years from retirement. Members are invested in the KZN Moderate Fund in their last 2 years prior to retirement.

The KZN Moderate Fund is made up of 50% of the KZN Managed Fund and 50% of the KZN Defensive Fund.

In addition to Lifestage Model, the Fund offers members the option to invest in a small range of risk profiled investment options where they do not wish to be invested in the Lifestage Model. These include: KZN Aggressive Fund, KZN Defensive Fund, KZN Money Market Fund, KZN Global Balanced Fund and KZN Islamic Fund.

The following investment administrators manage the fund's fully discretionary global balanced mandates on a segregated basis:

- Ninety One South Africa Proprietary Limited
- M & G Investment Managers Proprietary Limited
- Coronation Asset Management Proprietary Limited

The following investment administrators manage the fund's local equity mandates on a segregated basis.

- Argon Asset Management Proprietary Limited
- Mazi Asset Management Proprietary Limited
- Mergence Investment Managers Proprietary Limited
- Sanlam Investment Management Proprietary Limited
- Lima Mbeu Investment Managers Proprietary Limited
- Mianzo Asset Management Proprietary Limited
- Meago Proprietary Limited

The collective investment scheme portfolios are managed by the following investment managers:

- BlackRock Investment Management (UK) Limited
- Coronation Asset Management Proprietary Limited
- Camissa Asset Management Proprietary Limited
- M & G Investment Managers Proprietary Limited
- Stanlib Asset Management Proprietary Limited

The following investment administrators manage the fund's local bonds mandates on a segregated basis:

- Vunani Fund Managers Proprietary Limited

The following administrator manage the Fund's money market mandate on a segregated basis:

- Tanquata Asset Managers Proprietary Limited.

The following investment administrators hold assets for the Fund as a custodian.

- Avior Capital Markets Proprietary Limited
- Peresec International Limited
- Standard Bank of South Africa Limited

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

The private equity portfolios are managed as follows:

- ATA Capital Proprietary Limited
- Mahlako A. Phahla Financial Services Proprietary Limited
- MSM Property Fund Proprietary Limited
- Alexander Forbes Investments Limited
- Ascension Capital Partners Fund Managers Proprietary Limited
- Infra-Impact Investment Managers Proprietary Limited
- Prescient Fund Services Proprietary Limited
- Mergence Investment Managers-Proprietary Limited
- Mila Risk Management Solutions-Proprietary Limited
- Umthombo Investment Managers-Proprietary Limited
- Old Mutual Multi-managed Private Equity Fund of Funds
- Vuna Partners-Proprietary Limited

The linked insurance policy is managed by Old Mutual Life Assurance Company South Africa Limited.

The KZN Lifestage Model, which is the default investment portfolio for active members, was applied as follows over the valuation period:

- From five years prior to normal retirement date members are transitioned from the KZN Managed Fund to the KZN Moderate Fund by way of quarterly switches over a period of three years.
- Members then remain in the KZN Moderate Fund over the remaining two years prior to retirement.

The default portfolio for the pensioners is 50% KZN Managed Fund portfolio and 50% KZN Defensive Fund portfolio which is known as KZN Moderate Fund.

**3. Membership**

**Active members**

At beginning of period	22 834
Additions	585
<b>Less:</b>	
Withdrawals	385
Deaths	152
Retirements	344
Transfers to other funds	3
Adjustments	16
<b>At end of period</b>	<b>22 519</b>
Number at end of period (South African citizen)	22 518
Number at end of period (non-South African citizen)	1

**Adjustments**

Membership adjustment of 16 members is due to the 2 members' records that were discontinued and 14 members that were incorrectly classified as active paid members in the prior year instead of unclaimed benefits.

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

***Deferred retirements and Default Regulation paid up and Paid up members***

Included in the active membership total at the end of the period, there are 8 paid-up members, 6 Deferred retirement members and 32 Default Regulation paid-up members.

**Pensioners**

At beginning of period	722
Additions	151
<b>Less:</b>	
Deaths	24
Settled in full	3
Suspended pensioners	1
<b>At end of period</b>	<b>845</b>

Number at end of period (South African citizen) 845

**Unclaimed benefits**

At beginning of period	191
Additions	2
Adjustments	53
<b>Less:</b>	
Settled in full	15
<b>At end of period</b>	<b>231</b>

Number at end of period (South African citizen) 231

***Adjustments***

Membership was understated by 53 in prior year, due to the switch claim date that was not loaded on the system.

**Citizenship**

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

**4. Actuarial valuation**

A statutory valuation was performed as at 30 June 2023 and the valuator reported that the Fund was in a sound financial condition. The next statutory valuation will be performed as at 30 June 2026.

**5. Housing loan facilities**

*Housing loan guarantees*

The Fund has granted housing loan guarantees in terms of the Rules of the Fund and Section 19(5) of the Pension Funds Act. Each loan is secured by the withdrawal benefit of the respective member.

**6. Investments in participating employers**

The Fund holds no direct investments in the participating employer.

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

**7. Significant matters**

*Unapproved risk benefits*

The policy for funeral insurance is in the name of the employer. The Fund is used as a conduit to pay these premiums. The total premium for the year of R15 731 609 was netted off against the employer contributions received towards re-insurance and expenses. An amount of R14 359 492 was paid on behalf of the employer to the insurer and therefore a creditor of R1 372 117 was raised at year end (refer to note 11 in the annual financial statements). The total creditor amount was paid to the re-insurer on 16 July 2024.

*KZNMPPF vs Natal Joint Funds (Pension and Provident) & Others - Case No. 1464/19P*

- The Fund launched an application against NJMPF and the MEC on 27 February 2019 in terms of which the Fund sought to set aside certain provisions of the new regulations promulgated by the MEC that prohibited membership of the Fund in respect of new municipal employees.
- Judgement was handed down on 16 September 2022 the Judge found in favour of the Fund.
- The Judge confirmed the relief sought in the Fund's original Notice of Motion, specially that the disputed new regulations are set aside.
- The Judge further ordered that NJMPF and the MEC are to pay the costs of the application, including the cost of two Counsel.
- NJMPF has applied for leave to appeal the judgement, KZN Municipal Pension Fund is opposing the appeal.
- NMJPF was granted leave to appeal (against the judgement that was granted in favour of the Fund on 16 September 2022) on 21 June 2023, to the Full Bench of the High Court.
- The appeal was heard on 18 October 2024 however it was adjourned *sine die* on that date in order to allow for the MEC for COGTA to file opposing papers.
- The new appeal date is yet to be confirmed.

*South African Local Government Bargaining Council Collective Agreement*

- The Collective Agreement requires the Fund to be accredited (which is only granted subject to certain requirements) in order for the Employer to be permitted to contribute to the Fund.
- The Fund has decided not to apply for accreditation.
- The Employer has agreed to and is currently contributing to the Fund.
- The Employer is applying for exemption from accreditation.
- The Collective Agreement was set aside by the High Court on 20 February 2023, save for clause 8, on application by the Municipal Retirement Organisation (MRO - to which the Fund is a party) and other parties. MRO has not yet requested any refund of costs as yet from the funds that it is representing in this case.
- The High Court judgement has been taken on appeal to the Supreme Court of Appeal by the SALGBC and others.
- The appeal will be heard on 8 November 2024.
- The affect of the Collective Agreement is suspended pending the appeal, save for clause 8 (and any subsequent legal challenges).
- The Fund is not a direct party to these proceedings but is a member of MRO and will be impacted if the judgement granted in favour of the MRO is successfully appealed.

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

*Impact of changes in Regulation 28 on the annual financial statements*

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.

**8. Subsequent event/(s)**

Since the end of the period the following significant event/(s) occurred:

*Change in Administrator*

In line with the Fund objective of going fully self-administered, the Board of Fund has appointed Fairsure Administration Proprietary Limited as the administrator to the KZN Municipal Pension Fund with effect from 1 July 2024 to assist in this transition.

*Two-Pot Retirement System*

The Revenue Laws Amendment Act 12 of 2024 has been signed into law by the President. This law introduces the two-pot system, effective from 1 September 2024. The main objective is to improve members' retirement outcomes by requiring increased preservation before retirement.

*The two-pot system:*

- requires preservation of retirement savings by ensuring that from 1 September 2024 two-thirds of contributions, including investment growth, are preserved and annuitised at retirement.
- enables limited access to retirement savings by allowing one-third of contributions from 1 September 2024, and investment growth thereon, to be accessible as lump sums before retirement without having to resign or at retirement. Tax applies to all lump sum withdrawals.
- will continue to allow members to have lump sum access to their retirement savings accumulated before 1 September 2024 on retirement, resignation, dismissal or retrenchment. Tax applies to all lump sum withdrawals.

No significant impact on the Fund's ability to continue as a going concern is foreseen as members will continue contributing to the Fund. The legislation simply changes member's rights to access a portion of their funds whilst in employment.

**SCHEDULE E**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Report of the Board of Fund**

For the period ended 30 June 2024

---

*Two-Pot Legislation*

Rule amendment number four was approved by the FSCA on 30 August 2024. This rule amendment allows the Fund to be administered in accordance with the “Two-Pot Legislation”.

*Appointment of the Board of Fund*

With effect from 1 August 2024, the Trustees appointed Ms K Gama as the Deputy Principal Officer of the Fund.

B Fortein was appointed as a Chairperson of the Board effective 12 July 2024, replacing K Gama as a Chairperson of the Board.

*Member Elections*

Following the member elections held in 2024, the Elected Board Members were elected with effect from 1 July 2024.

**SCHEDULE F**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Statement of Net Assets and Funds**  
At 30 June 2024

	Notes	Current period R	Previous period R
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	1	283 696	425 545
Investments	2	24 826 017 495	22 527 576 173
		<u>24 826 301 191</u>	<u>22 528 001 718</u>
<b>Current assets</b>			
Accounts receivable	5	1 408 393	717 989
Contributions receivable	6	137 544 293	0
Cash at bank		317 579 695	442 505 343
		<u>456 532 381</u>	<u>443 223 332</u>
<b>Total assets</b>		<b><u>25 282 833 572</u></b>	<b><u>22 971 225 050</u></b>
<b>FUNDS AND LIABILITIES</b>			
<b>Members' funds and surplus account</b>			
Members' individual accounts		23 105 583 353	21 095 152 529
Amounts to be allocated	15	12 654 724	23 689 406
		<u>23 118 238 077</u>	<u>21 118 841 935</u>
Pensions Account		1 452 455 978	1 245 060 066
		<u>24 570 694 055</u>	<u>22 363 902 001</u>
<b>Reserve accounts</b>			
Reserve accounts	7	260 767 506	223 102 007
		<u>260 767 506</u>	<u>223 102 007</u>
<b>Total funds and reserves</b>		<b><u>24 831 461 561</u></b>	<b><u>22 587 004 008</u></b>
<b>Non-current liabilities</b>			
Unclaimed benefits	8	16 602 401	11 228 454
		<u>16 602 401</u>	<u>11 228 454</u>
<b>Current liabilities</b>			
Benefits payable	10	426 715 476	365 835 395
Contributions payable	6	0	344 177
Accounts payable	11	8 054 134	6 813 016
		<u>434 769 610</u>	<u>372 992 588</u>
<b>Total funds and liabilities</b>		<b><u>25 282 833 572</u></b>	<b><u>22 971 225 050</u></b>

**SCHEDULE G**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Statement of Changes in Net Assets and Funds**  
For the period ended 30 June 2024

	Notes	Members' individual accounts and amounts to be allocated R	Reserve account/(s) R	Current period R	Previous period R
Contributions received and accrued	6	1 492 746 727	164 579 513	1 657 326 240	1 601 280 076
Reinsurance proceeds		0	45 576 886	45 576 886	48 533 103
Net investment income	12	2 319 008 447	21 822 397	2 340 830 844	2 987 197 591
Other income	13	3 517 838	3 406 747	6 924 585	12 471 057
<b>Net income before expenses</b>		<b>3 815 273 012</b>	<b>235 385 543</b>	<b>4 050 658 555</b>	<b>4 649 481 827</b>
<b>Less</b>					
Reinsurance premiums		0	56 043 611	56 043 611	65 859 047
Administration expenses	14	32 385 476	581 480	32 966 956	27 495 729
<b>Net income before transfers and benefits</b>		<b>3 782 887 536</b>	<b>178 760 452</b>	<b>3 961 647 988</b>	<b>4 556 127 051</b>
<b>Transfers and benefits</b>					
Transfers from other funds	4	11 732 619	0	11 732 619	8 300 305
Transfers to other funds	9	(9 518 536)	0	(9 518 536)	(1 437 961)
Benefits	10	(1 546 929 262)	(141 094 953)	(1 688 024 215)	(1 378 880 897)
<b>Net income before funds and reserves</b>		<b>2 238 172 357</b>	<b>37 665 499</b>	<b>2 275 837 856</b>	<b>3 184 108 498</b>
<b>Funds and reserves</b>					
Balance at beginning of period		22 363 902 001	223 102 007	22 587 004 008	19 417 145 019
		<b>24 602 074 358</b>	<b>260 767 506</b>	<b>24 862 841 864</b>	<b>22 601 253 517</b>
<b>Net investment return allocated</b>					
Benefits payable to current members	10	(29 881 303)	0	(29 881 303)	(13 531 019)
Unclaimed benefits	8	(1 177 439)	0	(1 177 439)	(717 824)
Transfers to other funds	9	(321 561)	0	(321 561)	(666)
<b>Balance at end of period</b>		<b>24 570 694 055</b>	<b>260 767 506</b>	<b>24 831 461 561</b>	<b>22 587 004 008</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

**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.

**Plant and equipment**

Plant and equipment are recognised when they are held for operational use for more than one reporting period and are initially recorded at cost.

**Depreciation**

Depreciation is calculated on the depreciable amount, which is the cost of an asset, less its residual value. Depreciation is recognised in the Statement of Changes in Net Assets and Funds on a systematic basis which reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Fund. The motor vehicle is depreciated on the straight line method over the estimated useful life as follows:

Vehicles   CY 5 years

Depreciation methods, useful lives and residual values are reviewed annually by the Board of Fund and adjusted if appropriate.

**Derecognition**

The carrying value of an item of plant and equipment shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. All profits or losses on derecognition are recognised in the Statement of Changes in Net Assets and Funds.

**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.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

---

Financial instruments include the following instruments per category:

***Financial assets at fair value through Statement of Changes in Net Assets and Funds***

- Equities
- Preference shares
- Debt instruments including Islamic debt instruments
- Collective investment schemes
- Insurance policies

***Loans and receivables***

- Cash
- Accounts receivable

***Other financial liabilities***

- Accounts payable

**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.

**Preference shares**

*Listed preference shares*

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

*Unlisted preference shares*

In respect of unlisted preference shares, the fair value is determined by applying appropriate valuation techniques, such as discounted cash flow analysis or recent arm's length market transactions in respect of preference shares.

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

---

**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.

**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**

*Non-linked policies*

Non-linked investment policies with insurers are valued based on the policyholder's retrospective contribution to assets (i.e. accumulation at the actual investment return achieved on gross premiums).

*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.

*Pensioner annuity policies*

In-Fund living annuitant assets are disclosed as an asset of the Fund and included under investments. The corresponding pensioner liability is included under funds and reserves.

**Commodities**

Commodities are measured at fair value using the closing price quoted from a regulated exchange.

**Cash**

Cash and cash equivalents comprise 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.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

**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.

**Transfers from other funds**

Section 14 transfers from a fund 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 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.

*Individual transfers*

Individual transfers are recognised on the earlier of receipt of the written notice of transfer (Recognition of Transfer) or receipt of the actual transfer value. Individual transfers are measured at the value of the transfer at effective date of the transfer, adjusted for investment return or late payment interest.

**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.

**Reserves and specified accounts**

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

**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 and are classified as benefits payable.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

*Reinsurance proceeds*

Reinsurance proceeds are measured at the fair value of the consideration received or receivable and are accrued and recognised as income at the same time as the recognition of the related claim.

*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.

*Unclaimed benefits*

Unclaimed benefits are claims payable to current or former members that remain unpaid in excess of 24 months from the date it becomes due and payable in terms of the Rules of the Fund. Unclaimed benefits are initially measured at cost and subsequently measured at amortised cost. Unclaimed benefits are classified and disclosed as a non-current liability.

**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.

*Pensioner annuities in the name of the Fund*

The payment of pensions constitutes the payment of a benefit under benefits awarded. The note disclosure for benefits awarded requires the payment of pensions to be shown under pensions paid.

**Provisions**

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money and the risks specific to the liability.

**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.

*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.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

*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 and reinsurance premiums**

Expenses incurred in the administration of the Fund and reinsurance premiums 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.

*Administration fees and/or tracing fees on unclaimed benefits*

General administration expenses that are attributable to unclaimed benefits and collectible from the unclaimed beneficiaries are credited against administration expenses and debited against unclaimed benefits, as provided for in the Rules of the Fund.

**Member individual accounts**

Member individual accounts comprise of the Funds attributable to individual members, represented by investments and cash balances.

**Amounts to be allocated**

Amounts to be allocated represents transactions through the Fund which have not been allocated to members or reserves.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

**1. Plant and Equipment**

<b>Current Period</b>	<b>At beginning of period</b>	<b>Additions</b>	<b>Disposals</b>	<b>Revaluation reserve</b>	<b>Other movements</b>	<b>At end of period</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>Gross carrying amount</b>						
Vehicles	567 393	0	0	0	0	567 393
	<b>567 393</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>567 393</b>

	<b>At beginning of period</b>	<b>Depreciation charges</b>	<b>Accumulated depreciation on disposals</b>	<b>Impairment</b>	<b>Other movements</b>	<b>At end of period</b>	<b>Net carrying amount at end of period</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>Accumulated depreciation and impairment</b>							
Vehicles	141 848	141 849	0	0	0	283 697	283 696
	<b>141 848</b>	<b>141 849</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>283 697</b>	<b>283 696</b>

<b>Previous period</b>	<b>At beginning of period</b>	<b>Additions</b>	<b>Disposals</b>	<b>Revaluation reserve</b>	<b>Other movements</b>	<b>At end of period</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>Gross carrying amount</b>						
Vehicles	567 393	0	0	0	0	567 393
	<b>567 393</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>567 393</b>

	<b>At beginning of period</b>	<b>Depreciation charges</b>	<b>Accumulated depreciation on disposals</b>	<b>Impairment</b>	<b>Other movements</b>	<b>At end of period</b>	<b>Net carrying amount at end of period</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>Accumulated depreciation and impairment</b>							
Vehicles	0	141 848	0	0	0	141 848	425 545
	<b>0</b>	<b>141 848</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>141 848</b>	<b>425 545</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

**2. Investments**

**2.1. Investment summary**

	Local R	Foreign R	Total current period R	Total previous period R	Fair value current period R
<b>Fair value through Statement of Changes in Net Assets and Funds</b>					
Cash	175 604 916	59 354 526	234 959 442	366 805 567	234 959 442
Commodities	9 922 824	0	9 922 824	20 738 966	9 922 824
Debt instruments including Islamic debt instruments	2 245 976 006	21 143 056	2 267 119 062	1 787 286 020	2 267 119 062
Equities (including demutualisation shares)	8 396 691 421	38 345 971	8 435 037 392	7 406 115 681	8 435 037 392
Insurance policies	902 661 973	3 575 531	906 237 504	168 502 952	906 237 504
Collective investment schemes	4 063 904 629	7 320 003 996	11 383 908 625	12 426 891 247	11 383 908 625
Private equity funds	970 863 693	369 176 915	1 340 040 608	349 506 643	1 340 040 608
Derivative market instruments	0	771 632	771 632	1 729 097	771 632
Other	474 128	247 546 278	248 020 406	0	248 020 406
	<b>16 766 099 590</b>	<b>8 059 917 905</b>	<b>24 826 017 495</b>	<b>22 527 576 173</b>	<b>24 826 017 495</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

**3. Housing loan facilities**

**Housing loan guarantees**

	<b>Current period</b>	<b>Previous period</b>
	<b>R</b>	<b>R</b>
The Standard Bank of South Africa Limited Pension Backed Lending	1 024 872 637	954 277 800
Ithala SOC Limited	121 182 256	115 018 734
	<b>1 146 054 893</b>	<b>1 069 296 534</b>

The Fund has provided guarantees to The Standard Bank of South Africa Limited Pension Backed Lending to secure housing loans for its members. The guarantees are limited to 50% of the relevant members' withdrawal benefits, in terms of the Rules of the Fund and Section 19(5) of the Pension Funds Act in South Africa. Each guarantee is secured by the withdrawal benefit of the respective members on whose behalf the guarantees were granted.

The total housing loan guarantee facility available to the Fund is R1 050 000 000 of which the Fund has utilised and provided guarantees of R1 024 872 637. The cap on the housing loan guarantee is reviewed annually.

The facility is renewable annually.

The Fund has also entered into a Pension Backed home loan agreement with Ithala SOC Limited to secure housing loans for its members. There is no Rand limit and therefore no renewable date. Loans are granted on the amount on the pledge and approval of the Employer only.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

**4. Transfers from other funds**

	Effective date	No. of members	At beginning of period R	Transfers approved R	Net investment return R	Assets transferred R	At end of period R
<b>Total transfers in terms of Section 14</b>		<b>2</b>	<b>0</b>	<b>10 074 035</b>	<b>485 759</b>	<b>(10 559 794)</b>	<b>0</b>
Durban Pension Fund	01/01/2023	2	0	10 074 035	485 759	(10 559 794)	0
Individual transfers		2	0	1 145 914	26 911	(1 172 825)	0
			<b>0</b>	<b>11 219 949</b>	<b>512 670</b>	<b>(11 732 619)</b>	<b>0</b>

**Movement on Statement of Changes in Net Assets and Funds**

Transfers approved	11 219 949
Net investment return	512 670
<b>Transfers from other funds</b>	<b>11 732 619</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

---

**5. Accounts receivable**

	<b>Current period</b>	<b>Previous period</b>
	<b>R</b>	<b>R</b>
Administration fees	682	0
eThekwini Municipality - Funeral premiums (In-Fund annuitants)	1 386	1 386
Fidelity insurance prepaid	67 304	63 119
General Income received	1 170 055	653 484
Incorrect deposits	168 966	0
	<u><b>1 408 393</b></u>	<u><b>717 989</b></u>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

**6. Contributions**

	At beginning of period R	Towards retirement R	Towards reinsurance and expenses R	Contributions received R	At end of period R
<b>Members contributions</b>	<b>0</b>	<b>502 261 291</b>	<b>0</b>	<b>(460 756 668)</b>	<b>41 504 623</b>
Received and accrued	0	502 261 291	0	(460 756 668)	41 504 623
<b>Employer contributions</b>	<b>(344 177)</b>	<b>969 295 912</b>	<b>185 769 037</b>	<b>(1 058 681 102)</b>	<b>96 039 670</b>
Received and accrued	(344 177)	969 295 912	185 769 037	(1 058 681 102)	96 039 670
	<b>(344 177)</b>	<b>1 471 557 203</b>	<b>185 769 037</b>	<b>(1 519 437 770)</b>	<b>137 544 293</b>

**Reported as:**

Contributions receivable	0				137 544 293
Contributions payable	(344 177)				0
	<b>(344 177)</b>				<b>137 544 293</b>

**Movement on Statement of Changes in Net Assets and Funds**

Towards retirement					1 471 557 203
Towards reinsurance and expenses					185 769 037
<b>Contributions received and accrued</b>					<b>1 657 326 240</b>

**Unapproved Reinsurance Policy**

Funeral premiums

The policy for funeral insurance is in the name of the employer. The Fund is used as a conduit to pay these premiums. The total premium for the year of R15 731 609 was netted off against the employer contributions received towards re-insurance and expenses. An amount of R14 359 492 was paid on behalf of the employer to the insurer and therefore a creditor of R1 372 117 was raised at year end (refer to note 11 in the annual financial statements). The total creditor amount was paid to the re-insurer on 16 July 2024.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

**7. Reserve accounts**

	Current period R	Previous period R
Risk reserve	260 767 506	223 102 007
	<b>260 767 506</b>	<b>223 102 007</b>

**Risk Reserve**

	Current period R	Previous period R
Contributions received and accrued	164 579 513	168 464 041
Reinsurance proceeds	45 576 886	48 533 103
Net investment income	21 822 397	14 877 430
Other income	3 406 747	4 007 938
<b>Net income before expenses</b>	<b>235 385 543</b>	<b>235 882 512</b>
<b>Less:</b>		
Reinsurance premiums	56 043 611	65 859 047
Administration expenses	581 480	627 210
<b>Net income before transfers and benefits</b>	<b>178 760 452</b>	<b>169 396 255</b>
<b>Transfers and benefits</b>		
Benefits	(141 094 953)	(145 033 375)
<b>Net income before funds and reserves</b>	<b>37 665 499</b>	<b>24 362 880</b>
<b>Funds and reserves</b>		
Balance at beginning of period	223 102 007	198 739 127
<b>Balance at end of period</b>	<b>260 767 506</b>	<b>223 102 007</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

**8. Unclaimed benefits**

	<b>Current period</b>	<b>Previous period</b>
	<b>R</b>	<b>R</b>
At the beginning of the period	11 228 454	11 102 702
Transferred from benefits payable	6 054 480	205 602
Net investment return	1 177 439	717 824
<b>Less:</b>		
Allocation of administration expenses	29 492	21 693
Tracing expenses	9 400	0
Benefits paid	1 819 080	775 981
<b>At end of period</b>	<b>16 602 401</b>	<b>11 228 454</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

**9. 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
<b>Total transfers in terms of Section 14</b>		<b>3</b>	<b>0</b>	<b>9 518 536</b>	<b>321 561</b>	<b>(9 840 097)</b>	<b>0</b>
Liberty Bold Living Annuity Fund - Case number: 571919	19/05/2003	1	0	983 000	14 883	(997 883)	0
Sanlam Employee Benefits - Case number: 581447	11/10/2023	1	0	6 462 293	269 815	(6 732 108)	0
Liberty Bold Living Annuity Fund - Case number: 580488	30/04/2023	1	0	2 073 243	36 863	(2 110 106)	0
			<b>0</b>	<b>9 518 536</b>	<b>321 561</b>	<b>(9 840 097)</b>	<b>0</b>

**Movement on Statement of Changes in Net Assets and Funds**

Transfers approved	9 518 536
Net investment return	321 561
<b>Transfers to other funds</b>	<b>9 840 097</b>

**Transfers applied for not yet approved**

	Effective date	No. of members	Total R
<b>Section 14 transfers</b>			
PPS Insurance Company Limited	14/03/2024	1	2 364 490
		<b>1</b>	<b>2 364 490</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

**10. 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
<b>Post retirement</b>	<b>870 307</b>	<b>121 806 050</b>	<b>0</b>	<b>(121 855 176)</b>	<b>0</b>	<b>821 181</b>
Monthly annuities	870 307	121 806 050	0	(121 855 176)	0	821 181
<b>On retirement</b>	<b>16 496 460</b>	<b>790 537 467</b>	<b>4 030 253</b>	<b>(768 228 974)</b>	<b>0</b>	<b>42 835 206</b>
<b>Lump sums on retirement</b>						
Full benefit	16 496 460	790 537 467	4 030 253	(768 228 974)	0	42 835 206
<b>Pre-retirement</b>	<b>339 686 941</b>	<b>662 096 167</b>	<b>25 159 288</b>	<b>(641 985 070)</b>	<b>(6 054 480)</b>	<b>378 902 846</b>
<b>Lump sums before retirement</b>						
Disability benefits	0	27 259 704	0	(25 430 738)	0	1 828 966
Death benefits	323 553 401	304 260 840	24 429 535	(280 690 864)	0	371 552 912
Withdrawal benefits	16 133 540	326 844 721	713 726	(332 116 539)	(6 054 480)	5 520 968
Retrenchment benefits	0	3 730 902	16 027	(3 746 929)	0	0
<b>Other</b>	<b>8 781 687</b>	<b>113 584 531</b>	<b>691 762</b>	<b>(118 901 737)</b>	<b>0</b>	<b>4 156 243</b>
Divorce orders	8 781 687	113 248 301	691 762	(118 565 507)	0	4 156 243
Housing loan call ups	0	336 230	0	(336 230)	0	0
	<b>365 835 395</b>	<b>1 688 024 215</b>	<b>29 881 303</b>	<b>(1 650 970 957)</b>	<b>(6 054 480)</b>	<b>426 715 476</b>

**Movement on Statement of Changes in Net Assets and Funds**

Benefits awarded	1 688 024 215
Net investment return	29 881 303
<b>Benefits</b>	<b>1 717 905 518</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

**11. Accounts payable**

	Current period R	Previous period R
Administration fees	0	37 799
Auditor's remuneration	288 547	282 787
Consulting fees	176 103	0
Disability management fees	0	113 379
General office expenses	1 535 767	0
Incorrect deposits	0	59 088
Investment administrator fees	47 725	0
Principal officer expenses	6 750	0
Reinsurance premiums		
Group life assurance	4 460 157	5 340 656
Retirement benefit counselling fees	163 300	0
South African Reserve Bank reporting fees	2 645	2 645
Staff expenses	1 023	0
Unapproved policy premiums in respect of participating employer/s		
Funeral premiums	1 372 117	976 662
	<b>8 054 134</b>	<b>6 813 016</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
 Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
 For the period ended 30 June 2024

**12. Net investment income**

	<b>Current period</b>	<b>Previous period</b>
	<b>R</b>	<b>R</b>
Fair value adjustments	2 295 265 721	2 953 977 898
Insurance policies income	177 069	398 188
Interest received	35 842 585	27 556 793
<b>Less:</b>		
Expenses incurred in managing investments		
Investment administrators' fees	(9 545 469)	(5 264 712)
	<b><u>2 340 830 844</u></b>	<b><u>2 987 197 591</u></b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

**13. Other income**

	<b>Current period</b>	<b>Previous period</b>
	<b>R</b>	<b>R</b>
General Income received	4 765 716	10 875 369
Other income	2 158 869	1 595 688
	<b>6 924 585</b>	<b>12 471 057</b>

**Other Income**

The Fund has entered into a scrip lending agreement with Standard Bank. The proceeds are paid to the Fund's bank account and the Fund will use this money to offset the investment admin fees from time to time.

**General Income**

An amount R4 765 716 was received as settlements from Nestlife R3 406 747 and Steinhoff R1 358 969.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

**14. Administration expenses**

	Notes	Current period R	Previous period R
Administration fees		6 687 040	6 783 350
Administration fees on disability members		6 718	6 877
Administration fees on pensioners and suspended pensioners		803 799	664 901
Administration fees on unclaimed benefits		29 492	21 693
Audit fees		277 975	280 621
Bank charges		9 373	3 567
Board of Fund accident cover		7 475	7 475
Board of Fund expenses	14.1	3 168 081	2 715 952
Communication Fees		73 057	1 647 740
Consulting fees		2 113 235	2 109 334
Default Reg administration fees		28 619	16 875
Depreciation		141 849	141 848
Disability management fees		581 480	627 210
Fidelity cover		197 728	185 187
Financial Sector Conduct Authority levies		633 125	588 330
Legal fees		1 303 100	409 951
Membership fees		559 882	319 509
Office expenses		5 058 935	760 209
Optimate Financial Solutions		572 700	572 700
Principal Officer expenses	14.2	3 427 042	3 006 284
Regulation 28 Fees		0	(2 300)
Rental Paid		1 271 055	732 741
Retirement benefit counselling fees		1 043 050	1 405 300
South African Reserve Bank reporting fees		10 580	10 408
Staff expenses	14.3	4 843 861	4 406 440
Switch Fees		122 412	94 185
Tracing expenses		24 785	1 035
<b>Less:</b>			
Amount allocated to unclaimed benefits		29 492	21 693
		<b>32 966 956</b>	<b>27 495 729</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

**14.1 Board of Fund expenses**

	Current period R	Previous period R
Expenses	2 940 081	2 603 452
Meeting allowances	228 000	112 500
	<b>3 168 081</b>	<b>2 715 952</b>

Expenses

The amount of R2 940 081 is in respect of training, travelling and meeting expenses.

**14.2 Principal Officer expenses**

	Current period R	Previous period R
Other payments	244 673	378 389
Remuneration	3 182 369	2 627 895
	<b>3 427 042</b>	<b>3 006 284</b>

**Other payment**

The amount of R244 673 is in respect of training fees, travelling expenses as well payments made for special meetings attended by the Principal Officer.

**14.3 Staff expenses**

	Current period R	Previous period R
Other payments	56 405	194 416
Remuneration	4 787 456	4 212 024
	<b>4 843 861</b>	<b>4 406 440</b>

**Other payments**

The amount of R56 405 is in respect of study expenses and travelling expenses for the Front Office staff.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

**15. Amounts to be allocated**

	<b>Current period</b>	<b>Previous period</b>
	<b>R</b>	<b>R</b>
Investment return to be allocated	12 654 724	23 689 406
	<b>12 654 724</b>	<b>23 689 406</b>

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

---

**16. Risk management**

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

The Board of Fund has established a Risk, Compliance and Audit Sub-Committee, whose function also incorporates the reviewing, development and monitoring of the Fund's risk management policies and to review the Annual Financial Statements of the Fund and provide recommendations to the Board.

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

**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 fair value or future cash flows of the financial instruments will fluctuate 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 foreign currency exposure of the Fund is monitored each quarter with the submission of the quarterly asset allocation reports to the South African Reserve Bank. Investment administrators invest the Fund's assets according to the investment mandate, which stipulates the foreign exposure strategy of the Fund.

The Fund invests directly / 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.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

---

**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 / non-linked insurance policies are managed by the investment administrator according to the investment mandate and the risk management policy of the Fund. The investment administrator reports on the steps taken to identify and manage the risk on an annual basis.

**Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because 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 financial instrument or its issuer, or factors affecting all similar financial 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 administrator 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. The investment strategy stipulates that the Fund only invest in socially responsible companies.

**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 to off-set or to settle net in respect of certain assets and liabilities but does not intend to do so.

Housing loan guarantees granted are secured by the after tax withdrawal benefit of the respective members on whose behalf the guarantees were granted. The amount of the guarantee may not exceed 50% of the Fund credit of the respective members. Housing loan guarantees granted are renewed annually to ensure that the general terms and conditions are still applicable.

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.

Credit risk is managed by the Fund's outsourced investment administrator by investing in well-researched institutions and within the parameters of the investment mandate. The investment administrator must report annually on the steps taken to identify and manage the credit risk, in terms of the Fund's risk management policy.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Notes to the Annual Financial Statements**  
For the period ended 30 June 2024

---

**Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its obligations associated with financial liabilities. According to the 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.

**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.

**SCHEDULE HA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Notes to the Annual Financial Statements**

For the period ended 30 June 2024

**17. Related party transactions**

Related party	Relationship/Description	Current Period Transactions R	Current Period Balance R	Previous Period Transactions R	Previous Period Balance R
Board of Fund	Board members remuneration	228 000	0	112 500	0
Front Office staff	Staff remuneration	4 787 456	1 023	4 212 024	0
Participating employer and Fund transactions	Contributions towards retirement and reinsurance expenses	1 155 064 949	96 039 670	1 117 090 933	344 177
Participating employer and Fund transactions	Funeral benefit premiums	15 731 609	1 372 117	12 639 340	976 662
Principal Officer	Principal officer remuneration	3 182 370	6 750	3 006 284	0

**SCHEDULE HB**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Report of the Valuator**  
For the period ended 30 June 2024

---

Effective date of the last statutory actuarial valuation: 30 June 2023

**Particulars of the financial condition of the fund**

**1. Net assets available for benefits.**

R22 574 423 821

**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.**

R22 574 423 821

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

Member liabilities	R21 041 908 635
Pension accounts	<u>R 1 285 737 041</u>
<b>Total</b>	<b>R22 327 645 676</b>

**4. Contingency reserve account balances.**

Risk reserve account R223 102 007

The Fund revealed a surplus of R23 676 138 as at 30 June 2023, after deducting the actuarial present value of promised retirement benefits and the contingency reserve account from the actuarial value of the net assets available for benefits.

**5. Details of the valuation method adopted (including that in respect of any surplus account or contingency reserve) and details of any changes since the previous summary of report.**

Each member's fund credit consists of member and employer contributions allocated towards retirement funding plus fund investment returns. Discretionary enhancements to members' fund credits (supported by excess assets over that which is considered necessary to protect the fund against miscellaneous mismatches relating to investment returns and expenses) may also be awarded at each financial year-end.

The pension account consists of the member's fund credit at retirement less the amount commuted, pensions paid, any amount transferred to a registered insurer and deductions in respect of expenses plus net investment returns allocated thereto.

The risk reserve account consists of the employer contribution towards the cost of the death, disability, terminal illness and funeral benefits and the disability arrangement, together with such portion of the excess employer contribution of 9 percent of fund salary and any reinsurance payments made to the fund by the registered insurer. The risk reserve account is debited with payments made on death, disablement or terminal illness of a member, any premiums payable to the registered insurer to maintain the risk benefits payable on death, disablement or terminal illness and any expenses incurred in the management of the risk benefits. The risk reserve is credited with the investment return earned on the assets in this account.

**SCHEDULE HB**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Report of the Valuator**  
For the period ended 30 June 2024

---

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


Not applicable.

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

No.

8. **A statement as to whether the fund was in a sound financial condition for the purposes of the Pension Funds Act, 1956.**

I certify that as at 30 June 2023 the assets of the fund were sufficient to cover members' fund credits, the pension accounts and the risk reserve account in full. I can thus confirm that, in my opinion, the fund was in a sound financial condition as at the valuation date in terms of section 16 of the Act.



---

**Barend de Kock**

Fellow of the Actuarial Society of South Africa and Institute and Faculty of Actuaries  
in my capacity as the valuator of the fund and as an employee of Alexander Forbes Financial Services

Cape Town  
3 October 2024

**SCHEDULE I****KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**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 30 June 2024

---

<b>SCHEDULE CONTENTS</b>		<b>PAGE</b>
I	Report of the Independent Auditors to the Board of Fund and the Financial Sector Conduct Authority on Factual Findings	65
IA	Schedules to the Annual Financial Statements	95
IA	Investment summary schedule	95
IA	Cash	97
IA	Commodities	99
IA	Debt instruments including Islamic debt instruments	100
IA	Investment properties and owner-occupied properties	102
IA	Equity	104
IA	Private equity funds	110
IA	Direct derivative market instruments	111
IA	Certified Regulation 28 compliant investments	112
IA	Regulation 28 non-compliant investments	113
IA	Other assets	114
IA	Risk management Credit/counter party risk	115
IA	Market risk	117
IA	Reconciliation between the investment note HA and Schedule IA summary	120
IB	Report of the 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	121
IB	Assets held in compliance with Regulation 28	124

## 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 KZN MUNICIPAL PENSION FUND ("THE FUND") FOR THE YEAR ENDED 30 JUNE 2024**

#### **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 30 June 2024, 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 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.

### **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 30 June 2024.

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 30 June 2024.

	Procedures	Findings																				
	<b>Statement of Net Assets and Funds</b>																					
1.	<b>Investments</b>																					
1.1	Obtain a list of all investments as at 30 June 2024 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 30 June 2024 and note any differences.	We obtained a list of investments as at 30 June 2024 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 30 June 2024.																				
1.1.1	<p>a) Obtain external confirmations of all investment balances, per the list of investments obtained in procedure 1.1, from the investment managers as at 30 June 2024. Where the auditor is unable to obtain these external confirmations, note this fact.</p> <p>b) For external confirmations that are in a foreign currency, obtain the exchange rate(s) applied by the 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.</p> <p>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.</p>	<p>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 30 June 2024.</p> <p>b) For external confirmations that are in a foreign currency, we obtained the exchange rate applied by the Fund administrator to translate the investment value to South African rands (ZAR) from the Fund administrator and recalculated the ZAR values of the investments per the external confirmations obtained and did not agree the recalculated values to the investment balances as per the list of investments obtained in procedure 1.1.</p> <table border="1" data-bbox="842 1016 1493 1527"> <thead> <tr> <th></th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Total as per the list of investment balances</td> <td>R4,321 762 277.48</td> </tr> <tr> <td>Unsettled trades</td> <td>0</td> </tr> <tr> <td>Accrued income and expenses</td> <td>0</td> </tr> <tr> <td>Subtotal</td> <td>R4,321 762 277.48</td> </tr> <tr> <td>Total as per the external confirmations obtained from the investment managers</td> <td>R4 316 826 153.70</td> </tr> <tr> <td>Difference</td> <td>R 4 936 123.78</td> </tr> </tbody> </table> <p>c) For external confirmation that are in ZAR we did agreed the value of the investments per the external confirmations obtained to the investment balances as per the list of investments obtained in procedure 1.1. and noted the differences below which is due to cash in transit</p> <table border="1" data-bbox="842 1758 1471 1951"> <thead> <tr> <th></th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Total as per the list of investment balances</td> <td>R20,392 877 515.32</td> </tr> <tr> <td>Unsettled trades</td> <td>R794,149.44</td> </tr> </tbody> </table>		Amount	Total as per the list of investment balances	R4,321 762 277.48	Unsettled trades	0	Accrued income and expenses	0	Subtotal	R4,321 762 277.48	Total as per the external confirmations obtained from the investment managers	R4 316 826 153.70	Difference	R 4 936 123.78		Amount	Total as per the list of investment balances	R20,392 877 515.32	Unsettled trades	R794,149.44
	Amount																					
Total as per the list of investment balances	R4,321 762 277.48																					
Unsettled trades	0																					
Accrued income and expenses	0																					
Subtotal	R4,321 762 277.48																					
Total as per the external confirmations obtained from the investment managers	R4 316 826 153.70																					
Difference	R 4 936 123.78																					
	Amount																					
Total as per the list of investment balances	R20,392 877 515.32																					
Unsettled trades	R794,149.44																					

	Procedures	Findings						
	<b>Statement of Net Assets and Funds</b>							
1.	<b>Investments</b>							
		<table border="1"> <tr> <td>Subtotal</td> <td>R20 393 671 664.79</td> </tr> <tr> <td>Total as per the external confirmations obtained from the investment managers</td> <td>R20,389 571 984.33</td> </tr> <tr> <td>Difference</td> <td>R4 099 680.43</td> </tr> </table>	Subtotal	R20 393 671 664.79	Total as per the external confirmations obtained from the investment managers	R20,389 571 984.33	Difference	R4 099 680.43
Subtotal	R20 393 671 664.79							
Total as per the external confirmations obtained from the investment managers	R20,389 571 984.33							
Difference	R4 099 680.43							
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 30 June 2024. 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:	<p>We inspected the list obtained in procedure 1.1, or inquired with the Fund administrator, and noted new investments made during the period ended 30 June 2024.</p> <p>We selected all new investments from the list of investments obtained in procedure 1.1, and performed the following procedures:</p>						
1.1.2.1	Inquire from the Principal Officer the date on which the investment policy statement of the Fund was last reviewed by the Board of Fund. Note the date.	We inquired from the Principal Officer and noted that the investment policy statement of the Fund was last reviewed by the Board of Fund on July 2024.						
1.1.2.2	Obtain the latest approved policy statement from the Principal Officer. Inspect the investment policy statement and document the different categories of investments that are within the scope of the investment policy statement.	<p>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:</p> <p>Cash, Commodities; Debt Instruments, Equities, Immovable Properties, Insurance Policies, Collective Investment Schemes and Private Equity Fund.</p>						
1.1.2.3	Inspect the investment note 2 of the audited annual financial statements for the year ended 30 June 2024 and document the categories of investments that the Fund has invested in.	<p>We inspected the investment note 2 of the audited annual financial statements for the year ended 30 June 2024 and the categories of investments that the Fund has invested in are as follows:</p> <p>Cash, Commodities; Debt Instruments, Equities, Insurance Policies, Collective Investment Schemes and Private Equity Fund.</p>						
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 to the investment policy statement.						

	Procedures	Findings
	<b>Statement of Net Assets and Funds</b>	
1.	<b>Investments</b>	
1.2.1	Calculate the total value of direct investments held by the Fund in the participating employer as reflected in the investment note 2 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 2 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/Principal Officer/[insert the name and designation of the representative of the Fund]] 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. We noted no direct investments held in participating employers disclosed in the investment note 2 of the audited annual financial statements.
1.3	<p><b>Section 19(5B) Investments</b></p> <p>Inquire from the Principal Officer about the matters specified below, as they relate to the year ended 30 June 2024 and note the following:</p> <ul style="list-style-type: none"> <li>i. Any loans or guarantees have been granted to a member of the Fund other than for the purposes of Section 19(5); and</li> <li>ii. Any loans have been granted to and investments were made in the shares of the following: <ul style="list-style-type: none"> <li>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</li> <li>b. A subsidiary (as defined in the Companies Act) of such a first-mentioned company.</li> </ul> </li> </ul> <p>Where loans of this nature have been granted, note the following details of the loans granted: date, amounts and name of the borrower.</p>	<p>We inquired from the Principal Officer about the matters specified below, as they relate to the year ended 30 June 2024. Based on our inquiries performed, we noted the following:</p> <ul style="list-style-type: none"> <li>i. There were no loans or guarantees granted to a member of the Fund other than for the purposes of Section 19(5); and</li> <li>ii. There were no loans granted to and investments made in the shares of the following: <ul style="list-style-type: none"> <li>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</li> <li>b. A subsidiary (as defined in the Companies Act) of such a first-mentioned company.</li> </ul> </li> </ul>

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Net Assets and Funds</b>	
1.	<b>Investments</b>	
1.4	<p><b>Section 19(5D) Investments</b></p> <p>Inquire from the Principal Officer about the matters specified below as they relate to the year ended 30 June 2024 and document the responses obtained:</p> <p>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</p> <p>b. The approval referred to in paragraph (a) was given, subject to any conditions, and note these conditions.</p>	<p>We inquired from the Principal Officer about the matters specified below as they relate to the year ended 30 June 2024. Based on our inquiries performed, the following responses were obtained:</p> <p>a. The Fund has not acquired or held any shares or financial interest in another entity which results in the exercising of control.</p> <p>b. The Fund has not acquired or held any shares or financial interest in another entity which results in the exercising of control.</p>
2.	<b>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds)</b>	
2.1	Obtain a list of the member individual accounts for defined contribution members (including contributing, paid-up and deferred members) as at 30 June 2024 and as at 1 July 2023 from the Fund administrator, and perform procedure 2.3:	We obtained a list of the member individual accounts for defined contribution members as at 30 June 2024 and as at 1 July 2023 from the Fund administrator and performed procedure 2.3:
2.2	Obtain a reconciliation of the total value of the list of member individual accounts as 30 June 2024 obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as at 30 June 2024 from the Fund administrator. Note the reconciling items.	We obtained a reconciliation of the total value of the list of member individual accounts as at 30 June 2024 obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as at 30 June 2024 from the Fund administrator. No differences were noted.
2.3	<p>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:</p> <ul style="list-style-type: none"> <li>• July 2023,</li> <li>• December 2023; and</li> <li>• June 2024</li> </ul> <p>Specify the basis of the sample selection for the 2 months, other than the last month of the year, as agreed with the Fund.</p>	<p>We selected a sample of 25 members from the list of members at the end of the year obtained in procedure 2.1 for the following three months:</p> <ul style="list-style-type: none"> <li>• July 2023</li> <li>• December 2023 and</li> <li>• Last month of the period (June 2024)</li> </ul> <p>The sample for the other 2 months was selected randomly.</p> <p>We performed the following procedures for each member and month selected:</p>

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Net Assets and Funds</b>	
<b>2.</b>	<b>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds)</b>	
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.	We obtained from the Fund administrator a list of the member and employer contributions received and allocated for the respective months from the Fund administration system and performed procedure 2.3.3 below.
2.3.2	Obtain the employer schedule supplied by the participating employers to the Fund administrator for the respective months and perform procedure 2.3.3.	We obtained the employer schedule supplied by the participating employers to the Fund administrator for the respective months and performed procedure 2.3.3 below.
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.	The member and employer contributions obtained in procedure 2.3.1 and did not agree with the member and employer contributions obtained in procedure 2.3.2. Refer to Annexure A below
2.4	Obtain the registered rules of the Fund from the Fund administrator and perform the procedure below.	We obtained the registered rules of the Fund from the Fund administrator and performed the procedure below.
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 / insert other proof of the payment document inspected that indicates the allocation of the contribution per member] 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.	We calculated 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 employer schedule obtained in procedure 2.3.2. The calculated member and employer contribution rates agreed to the contribution rates per the rules of the Fund obtained in procedure 2.4.  No differences noted.

	Procedures	Findings
	<b>Statements of Net Assets and Funds</b>	
<b>2.</b>	<b>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds)</b>	
2.5	Inquire from the Fund administrator whether the Fund is a unitised or non-unitised fund, and note the type of fund.	We inquired from the Fund administrator whether the Fund is a unitised or non-unitised fund, and noted that the fund is a unitised fund.
2.5.1	<b>If the fund is a unitised fund, as noted in procedure 2.5:</b> For the sample of members selected in procedure 2.3, perform the following procedures:	For the members selected with unitised investment products, we performed the following procedures:
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.	We recalculated 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. The recalculated units agreed to the units allocated to the member for the specific month, as per the fund administration system.
2.5.1.2	Obtain an external confirmation of the unit prices from the investment manager throughout the year ended 30 June 2024. Note any exceptions of confirmations not obtained.	We obtained, an external confirmation of the unit prices from the investment managers throughout the year ended 30 June 2024.
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.	We did 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.  No differences noted.
2.5.1.4	Recalculate the member's fund credit as at 30 June 2024 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.	We recalculated the member's fund credit as at 30 June 2024 by multiplying the number of units with the unit price, using both inputs as per the administration system. The recalculated amount agreed to the member's fund credit per the listing obtained in procedure 2.1.
2.5.1.5	Agree the 30 June 2024 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.	The 30 June 2024 unit price as per the administration system used in procedure 2.5.1.1 did agree to the unit price obtained from the investment manager in procedure 2.5.1.2.  No difference noted.

	Procedures	Findings
	<b>Statements of Net Assets and Funds</b>	
<b>2.</b>	<b>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds)</b>	
2.5.2	<b>If the fund is a non-unitised fund, as noted in procedure 2.5,</b> for the sample of members selected in procedure 2.3, perform the following procedures:	Not applicable. The Fund does not offer non-unitised investment products.
2.5.2.1	Obtain the resolution of the Board of Fund or the rules of the Fund or the approved recommendation by the fund valuator that indicates the rate of investment returns to be allocated to members from the Fund administrator.	Not applicable. The Fund does not offer non-unitised investment products.
2.5.2.2	Inquire from the Fund administrator about how the investment returns as per [the resolution of the Board of Fund or the rules of the Fund or the approved recommendation by the fund valuator obtained in procedure 2.5.2.1 are allocated to the members of the Fund.	Not applicable. The Fund does not offer non-unitised investment products.
2.5.2.3	Recalculate the member's closing fund credit as at 30 June 2024 by: <ul style="list-style-type: none"> <li>• Taking the member's opening fund credit from the opening listing obtained in procedure 2.1.</li> <li>• Adding the contributions allocated as per the administration system; and</li> <li>• Adding/subtracting the returns allocated to the member as calculated using the basis provided by Fund administrator obtained in procedure 2.5.2.2.</li> </ul> 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. The Fund does not offer non-unitised investment products.
2.6	<b>Switches</b> 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, as no switches were noted in the current year.
2.6.1	Obtain the client mandate between the administrator and the Fund from the Fund administrator and note the following terms: <ul style="list-style-type: none"> <li>• Days indicated to process a member-elected switch.</li> <li>• Timing to effect a Lifestage switch.</li> </ul> Fees deductible from the member individual accounts to process a switch.	Not applicable, as no switches were noted in the current year.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>2.</b>	<b>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds)</b>	
2.6.2	<b>Member-elected switches</b> 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:	<b>Member-elected switches</b> Not applicable, as no switches were noted in the current year.
2.6.2.1	Inspect the member's instruction for details of the required switch and note the following details per the instruction: <ul style="list-style-type: none"> <li>• Date of receipt of the member's instruction by the Fund administrator</li> <li>• Effective date of the switch; and Investment portfolio to be switched into.</li> </ul>	Not applicable, as no switches were noted in the current year.
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: <ul style="list-style-type: none"> <li>• Date when the switch was processed by the Fund administrator;</li> <li>• Effective date of the switch; and</li> <li>• Investment portfolios switched into.</li> </ul>	Not applicable, as no switches were noted in the current year.
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, as no switches were noted in the current year.
2.6.2.4	Calculate the number of days taken to process the switch, using the following: <ul style="list-style-type: none"> <li>• Date of receipt of the member's instruction by the Fund administrator noted in procedure 2.6.2.1.</li> <li>• Date when the switch was processed by the Fund administrator noted in procedure 2.6.2.2.</li> </ul>	Not applicable, as no switches were noted in the current year.
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 client mandate between the administrator and the Fund 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 client mandate between the administrator and the Fund.	Not applicable, as no switches were noted in the current year.

	Procedures	Findings								
	<b>Statements of Net Assets and Funds</b>									
<b>2.</b>	<b>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds) continue</b>									
2.6.3	<b>Lifestage switches</b> Obtain the Fund's Lifestage investment strategy from the Fund administrator.	<b>Lifestage switches</b> Not applicable, as no Lifestage switches were noted in the current year.								
2.6.3.1	For Lifestage switches included in the sample selected in procedure 2.6, perform the following procedures:	Not applicable, as no Lifestage switches were noted in the current year.								
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: <ul style="list-style-type: none"> <li>• Date when the Lifestage switch was processed by the Fund administrator and Investment portfolios switched into.</li> </ul>	Not applicable, as no Lifestage switches were noted in the current year.								
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, as no Lifestage switches were noted in the current year.								
2.6.3.4	Agree the timing of the Lifestage switch per 2.6.3.2 with the terms per the client mandate between the administrator and the Fund in 2.6.1. Note any difference in timing.	Not applicable, as no Lifestage switches were noted in the current year.								
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 client mandate (obtained in procedure 2.6.1). Note any differences.	Not applicable, as no Lifestage switches were noted in the current year.								
2.7	Obtain the Asset Liability Match ("ALM") reconciliation per investment portfolio / product / category as at 30 June 2024, from the Fund administrator and perform the following procedures:	We obtained the ALM reconciliation per investment portfolio as at 30 June 2024 from the Fund administrator and performed the following procedures:								
2.7.1	Obtain a reconciliation of the total investment balance per investment portfolio / product / category, 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.	We obtained 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. following differences were noted: <table border="1" data-bbox="917 1462 1524 1722"> <thead> <tr> <th></th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Total investments as per the ALM reconciliation</td> <td>24,826,017,494.29</td> </tr> <tr> <td>Total investments as per the list of investments</td> <td>24,826,017,494.29</td> </tr> <tr> <td>Differences</td> <td>0</td> </tr> </tbody> </table>		Amount	Total investments as per the ALM reconciliation	24,826,017,494.29	Total investments as per the list of investments	24,826,017,494.29	Differences	0
	Amount									
Total investments as per the ALM reconciliation	24,826,017,494.29									
Total investments as per the list of investments	24,826,017,494.29									
Differences	0									

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>2.</b>	<b>Member individual accounts (defined contribution funds as well as the defined contribution section of hybrid funds) continue</b>	
2.7.2	Obtain a reconciliation of the total member individual accounts value per investment portfolio / product / category, 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.	We obtained 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. No reconciling items were noted.
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.	We inspected the total difference between assets and liabilities reflected on the ALM and noted that the variance is not larger than 2% of total assets of the Fund per the Statement of Net Assets and Funds.
<b>3</b>	<b>Accumulated funds (for defined benefit funds as well as defined benefit sections of hybrid funds)</b>	
3.1	Obtain a list of defined benefit members as at [insert the period/year-end] from the Fund administrator; and perform the following procedures:	Not applicable as this is not a defined benefit fund.
3.2	Select a sample of the lesser of 25 or 10% of the number of defined benefit members at [insert the period/year-end] 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:  [Specify the basis of the sample selection for the 2 months, other than the last month of the period/year, as agreed with the Fund].	Not applicable as this is not a defined benefit fund.
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.	Not applicable as this is not a defined benefit fund.
3.2.2	Obtain the [remittance advice / insert other proof of the payment document inspected that indicates the allocation of the contribution per member] supplied by the participating employers to the Fund administrator for the respective months.	Not applicable as this is not a defined benefit fund.
3.2.3	Agree the member contributions received and allocated as obtained in 3.2.1 with 3.2.2 and note any differences.	Not applicable as this is not a defined benefit fund.
3.2.4	Calculate the member contribution rates for each member selected by dividing the contribution by the salary per the [remittance advice / insert other proof of the payment document inspected that indicates the allocation of the contribution per member / other relevant documents inspected] obtained in procedure 3.2.2.  Agree the calculated member contribution rate(s) to the rate(s) noted in rule [insert the rule number of the registered rules of the Fund] obtained in procedure 2.4 and note any differences.	Not applicable as this is not a defined benefit fund.
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.	Not applicable as this is not a defined benefit fund.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>3</b>	<b>Accumulated funds (for defined benefit funds as well as defined benefit sections of hybrid funds)</b>	
3.4	Obtain the actuarial valuation report of the Fund from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]] 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.	Not applicable as this is not a defined benefit fund.
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 / insert other proof of the payment document inspected that indicates the allocation of the contribution per member / other relevant document inspected] 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.	Not applicable as this is not a defined benefit fund.
<b>4</b>	<b>Surplus apportionment in terms of Sections 15B and 15C (this will include reserve account distributions)</b>	
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 12.3.1.
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. We noted no Section(s) 15B and 15C surplus apportionment in the actuarial valuation report obtained in procedure 12.3.1.
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/[insert the name and designation of the representative of the Fund]].	Not applicable. No Section 15B surplus apportionment was recommended by the actuary per the actuarial valuation report in procedure 4.1.
4.2	<b>Surplus apportionment allocation</b>  Obtain a list of the approved surplus allocations to active and/or former members and/or pensioners in the current [period/year] noted in procedure 4.1, from the [Fund administrator/Fund's actuary/Principal Officer/[insert the name and designation of the representative of the Fund]], 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	<b>Active members:</b>  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 [period/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 [period/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 to active members in the current year were noted in procedure 4.2.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>4</b>	<b>Surplus apportionment in terms of Sections 15B and 15C (this will include reserve account distributions)</b>	
4.2.1.2	Agree the surplus amount allocated as per the listing (including investment return) in the current [period/year] per member to the allocation on the member records per the administration system and note any differences.	Not applicable. No surplus allocations to active members in the current year were noted in procedure 4.2.
4.2.2	<b>Former members and pensioners allocations:</b> 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 [period/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 [period/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 [period/year] per former member and/or pensioner to the allocation on the member records per the administration system and note any differences.	Not applicable. No surplus allocations made to former members and/or pensioners in the current year were noted in procedure 4.2.
4.2.3	In respect of Section 15B surplus apportionments noted in procedure 4.1, inquire from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and/or inspect [include details of the document inspected] 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	<b>Surplus apportionment payments:</b> Obtain a list of all surplus apportionment payments made to members during the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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. No surplus apportionment payments were made to members during the year.
4.3.2	Obtain the [insert the name of the document(s) that indicates authorisation of the payment] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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. No surplus apportionment payments were made to members during the year.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>5</b>	<b>Member and employer surplus accounts</b>	
5.1	Obtain the analysis of the transactions in the member and/or employer surplus account (including debit and credit transactions) for the period as disclosed in the member and employer surplus note [insert the note number] to the [audited/unaudited*] annual financial statements from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform the following procedures:	Not applicable. No member and/or employer surplus accounts were noted.
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 [insert the rule number of the registered rules].	Not applicable. No member and/or employer surplus accounts were noted.
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.	Not applicable. No member and/or employer surplus accounts were noted.
<b>6</b>	<b>Reserves</b>	
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 7 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 and the movements (including debit and credit transactions) per the reserves note 7 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 7.2.4.	We inspected the registered rules of the Fund obtained in procedure 2.4 and noted reserve and other related accounts and the debit and credit transactions allowed in the reserve and other related accounts listed in rule 7.2.4.
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 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.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>7</b>	<b>Other assets, liabilities and guarantees</b>	
7.1	<b>Housing loans</b> 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 [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], 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 [insert the note number] to the [audited/unaudited*] annual financial statements. Note any differences.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
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. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.1	For new housing loans issued, perform the following procedures:	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.2.1.1	Obtain the home loan agreement from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and inspect the agreement for the loan amount and date of granting of the loan.	Not applicable. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
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. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
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 [insert the rule number of the registered rules] and/or the home loan agreement 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.
7.2.1.4	Obtain the member individual account balance at the date of granting the loan from the [Fund administrator/[insert the name and designation of the representative of the Fund]].  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. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
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/[insert the name and designation of the representative of the Fund]] 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. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>7.</b>	<b>Other assets, liabilities and guarantees</b>	
7.2.3	Obtain the National Credit Act (NCA) registration certificate from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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. The Fund does not grant housing loans to its members in terms of Section 19(5) of the Act.
7.3	<b>Housing loan guarantees</b> 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 rule [insert the rule number of the registered rules and/or the loan agreement] and note the percentage.	We obtained the loan agreement between the Fund and the financial institution from the Fund administrator. We inspected the loan agreement for the maximum allowable percentage of member individual accounts as allowed in terms of rule and noted 50%.
7.3.1	<b>Defined contribution funds</b> Obtain a list of all housing loan guarantee balances granted to members from the loan provider as at 30 June 2024 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:	We obtained the list of housing loan guarantee balances granted to members from the loan provider as at 30 June 2024 from the Fund administrator, selected a sample of 25 members of the housing loan guarantees, and performed the following procedures:
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.	We inspected the member's record on the administration system and noted that member's record was flagged as having a housing loan guarantee.
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.	We divided 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. No instances were noted where the percentage calculated exceeded the maximum allowable percentage noted in 7.3
7.4	<b>Defined benefit funds</b> Obtain a list of housing loan guarantees granted to defined benefit fund members from the loan provider as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and select a sample of the lesser of 25 or 10% of the number of new housing loan guarantees issued in the current [period/year] (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable as the Fund is not a defined benefit fund.
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 as the Fund is not a defined benefit fund.
7.4.2	Obtain the withdrawal benefit calculated by the [Fund administrator/[insert the name and designation of the representative of the Fund]] as at the date of issuing of the guarantee, and perform the following procedure:	Not applicable as the Fund is not a defined benefit fund.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statements of Net Assets and Funds</b>	
<b>7.</b>	<b>Other assets, liabilities and guarantees</b>	
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 as the Fund is not a defined benefit fund.
<b>8</b>	<b>Contributions</b>	
8.1	Obtain a list of the number of pay points, from the Fund administrator, that reconciles to the contributions note 6 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 6 of the audited annual financial statements and selected a sample of 1 of the number of 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 number 4000-0005, 4000-0010, 4000-0015 and note any differences.	The total amount of the list above agreed to the general ledger 4000-0005, 4000-0010, 4000-0015. No differences were noted.
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 point 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, no instances were noted.
<b>9.</b>	<b>Benefits</b>	
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 30 June 2024 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 30 June 2024 from the Fund administrator, and performed the following procedure:
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.

	Procedures	Findings
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>9.</b>	<b>Benefits</b>	
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:  3 Divorce orders, 8 Withdrawals, 8 Death and 6 Retirement  We obtained the member statements from the administration system and performed the following procedures on the sample selected:
9.2.1	<p>For each selected benefit, compare the following fields:</p> <ul style="list-style-type: none"> <li>● gross benefit amount;</li> <li>● tax amount;</li> <li>● net benefit amount;</li> <li>● exit date; and</li> <li>● type of benefit</li> </ul> <p>to the administration system and the [insert the authorised supporting documentation, such as the signed member exit form and SARS Tax Directives] determined by the procedures of the Fund. Note any differences.</p> <p><b>Exit date:</b></p> <p>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.</p> <p><b>Tax amount:</b></p> <p>i. Agree the tax amount related to the benefit per the Tax directive obtained from the Fund administrator to the tax amount deducted as reflected on the administration system. Note any differences.</p>	<p>We compared each benefit selected to the administration system and the authorised supporting documentation such as the signed member exit form, SARS Tax Directive) in accordance with the procedures of the Fund for the following fields:</p> <ul style="list-style-type: none"> <li>● the gross benefit amount</li> <li>● tax amount</li> <li>● net benefit amount</li> <li>● exit date and</li> <li>● type of benefit</li> </ul> <p>We noted no differences.</p> <p><b>Exit date:</b></p> <p>i. The exit date as reflected on the member's withdrawal benefit form obtained from the Fund administrator agreed to the exit date on the administration system.</p> <p><b>Tax amount:</b></p> <p>The tax amount related to the benefit per the tax directive obtained from the Fund administrator agreed to the tax amount deducted as reflected on the administration system.</p>
9.2.2	<ul style="list-style-type: none"> <li>● For death benefits, and where applicable, disability benefits, where a portion of the benefit had been reinsured by the Fund (reinsurance proceeds): <ul style="list-style-type: none"> <li>○ Note the portion of the benefit that had been reinsured as reflected on the administration system.</li> <li>○ Obtain a copy of the confirmation letter from the insurer which reflects the amount of the benefit from the Fund administrator.</li> <li>○ 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.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● We obtained a copy of the confirmation letter from the insurer which reflects the amount of the benefit from the Fund administrator.</li> <li>● We recalculated the reinsurance proceed amount by multiplying the member's latest salary with the factor obtained from the member's record on the administration system and compared the recalculated amount with the amount on the confirmation letter. No differences were noted:</li> </ul>

	Procedures	Findings
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>9.</b>	<b>Benefits</b>	
<b>9.2.2</b>	<ul style="list-style-type: none"> <li>○ Obtain a listing of reinsurance proceeds, reflecting all proceeds received per death benefit for the year, from the Fund administrator and agree the amount per the confirmation letter obtained above to the listing, and note any exceptions</li> </ul>	<ul style="list-style-type: none"> <li>• We obtained a listing of reinsurance proceeds, reflecting all proceeds received per death benefit for the year, from the Fund administrator and agreed the amount per the confirmation letter obtained above to the listing.</li> </ul>
<b>9.2.3</b>	<p><b>For a defined benefit fund and hybrid funds with a defined benefit underpin:</b></p> <p>Obtain the gross benefit as calculated by the Fund Actuary [insert the name of the actuary] from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>Agree the gross benefit amount from 9.2.1 to the gross benefit from the calculation obtained. Note any differences.</p> <p><b>For a defined contribution fund:</b></p> <p>For members who were active during the period/year ended, perform the following procedures:</p> <ul style="list-style-type: none"> <li>i. Obtain the opening fund credit amount as at the beginning of the year from the member record on the administration system.</li> <li>ii. Inspect the member record on the administration system to confirm that monthly contributions were added, for the period up to the date of exit as per 9.2.1. Note any exceptions.</li> <li>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.</li> <li>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).</li> </ul>	<p><b>For a defined benefit fund and hybrid funds with a defined benefit underpin:</b></p> <p>Not applicable as this is not a defined benefit Fund.</p> <p><b>For a defined contribution fund:</b></p> <p>For members who were active, we performed the following procedures:</p> <ul style="list-style-type: none"> <li>i. We obtained the opening fund credit amount as at the beginning of the year from the member record on the administration system.</li> <li>ii. We inspected the member records on the administration system and noted that monthly contributions up to the date of exit as per 9.2.1 were added to the member record.</li> <li>iii. We obtained the bank statements reflecting the benefit payments from the Fund administrator. The net benefit amounts as per procedure 9.2.1 agreed to the bank statements.</li> <li>iv. No differences noted.</li> </ul>

	Procedures	Findings
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>9.</b>	<b>Benefits</b>	
	<p>For members who were paid up and/or deferred:</p> <ul style="list-style-type: none"> <li>i. Obtain the opening fund credit amount as at the beginning of the period/year from the member record on the administration system.</li> <li>ii. Inspect the member record on the administration system to confirm that interest was added, for the period up to the date of exit as per 9.2.1. Note any exceptions.</li> <li>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.</li> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>i. We obtained the opening fund credit amount as at the beginning of the year from the member record on the administration system.</li> <li>ii. We noted that interest for the period up to the date of exit as per 9.2.1 were added to the member record as per the administration.</li> <li>iii. We obtained the bank statements reflecting the benefit payment(s) from the Fund administrator. The net benefit amount(s) as per procedure 9.2.1 agreed to the bank statements.</li> <li>iv. Not applicable as there were no differences noted in iii.</li> </ul>
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) or investment reserve account (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 [insert the period/year-end] 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 and unclaimed benefits payable as disclosed in the Statement of Net Assets and Funds as at 30 June 2024 from the Fund administrator, selected a sample of 25 of the total number of benefits from the list, and performed the following procedure:
9.3.1	<p>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.</p> <p>If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit.</p> <p>If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable.</p> <p>Note any exceptions, if incorrectly classified.</p>	<p>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:</p> <p>No exceptions were noted where the benefits were not classified in the correct category.</p>

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>9.</b>	<b>Benefits</b>	
9.3.2	<p>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.</p> <p>If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit.</p> <p>If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable.</p> <p>Note any exceptions if incorrectly classified.</p>	<p>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:</p> <p>No exceptions were noted where the benefits were not classified in the correct category.</p>
<b>10</b>	<b>Transfers</b>	
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" notes 4 and 9 to the audited annual financial statements. Note any differences.	We obtained separate lists of Section 14 transfers to and from the Fund from the Fund administrator and noted that the totals of the lists agreed to the amounts reflected in the "Transfers into the Fund" and "Transfers from the Fund" notes 4 and 9 to the audited annual financial statements. No differences were noted.
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 to and from the Fund throughout the period, we selected a sample of 1 of the number of transfers in and 1 of the number of transfers out, and performed the following procedures.
10.2.1	<p>Obtain the following Section 14 documentation from the Fund administrator:</p> <p>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</p> <p>b. Section 14 (8) transfers: the Section 14(8) Form H and J, as prescribed.</p> <p>Agree the following information per the listings to the documentation received:</p> <ul style="list-style-type: none"> <li>● Name of transferor/transferee fund;</li> <li>● Effective date;</li> <li>● Approval date;</li> <li>● Number of members;</li> <li>● Transfer amount; and</li> <li>● Growth and investment return.</li> </ul> <p>Note any exceptions.</p>	<p>We obtained the Section 14 documentation from the Fund administrator</p> <p>The details per the documentation agreed to the following information per the listings:</p> <ul style="list-style-type: none"> <li>● Name of transferor/transferee fund;</li> <li>● Effective date;</li> <li>● Approval date;</li> <li>● Number of members;</li> <li>● Transfer amount; and</li> <li>● Growth and investment return.</li> </ul> <p>No exceptions noted</p>

	Procedures	Findings						
	<b>Statement of Changes in Net Assets and Funds</b>							
<b>10</b>	<b>Transfers</b>							
10.2.2	<p>Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the Fund administrator.</p> <p>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.</p> <p>Note any exceptions, where the Section 14 transfers to and from the Fund were:</p> <ul style="list-style-type: none"> <li>● Not received/paid within 60 days of Authority approval for Section 14(1) transfers;</li> <li>● Not received/paid within 180 days from the effective date for Section 14(8) transfers; and</li> <li>● Not received/paid within the period as noted in the blanket transfer documentation, but not after 60 days from the blanket transfer end date.</li> </ul>	<p>We obtained the bank statements for the date of receipt/payment of the Section 14 transfers from the Fund administrator.</p> <p>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 and received as per the bank statement, and the receipts were made within the required periods for transfer in. For transfer out we noted that the payment were not made within 60 days as per the Authority approval.</p> <table border="1"> <thead> <tr> <th>Approval date</th> <th>Payment date</th> <th>Days lapse</th> </tr> </thead> <tbody> <tr> <td>27-Nov-23</td> <td>14 May 2024</td> <td>169</td> </tr> </tbody> </table>	Approval date	Payment date	Days lapse	27-Nov-23	14 May 2024	169
Approval date	Payment date	Days lapse						
27-Nov-23	14 May 2024	169						
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:	From the list of Section 14 transfers from other Funds as per procedure 10.2, we selected a sample of 1 members and performed the following procedures:						
10.3.1	<p><b>In respect of unitised funds</b></p> <p>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.</p> <p><b>In respect of non-unitised funds</b></p> <p>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.</p>	<p><b>In respect of unitised funds</b></p> <p>We recalculated 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. The recalculated units agreed to the units per the administration system</p> <p><b>In respect of non-unitised funds</b></p> <p>Not applicable. The Fund is unitised.</p>						
10.4	<p><b>Individual transfers in</b></p> <p>Obtain the list of individual transfers in throughout the year ended 30 June 2024 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:</p>	<p><b>Individual transfers in</b></p> <p>We obtained the list of individual transfers in throughout the year ended 30 June 2024 from the Fund administrator, selected a sample of 1 of the number of individual transfers, and performed the following procedures.</p>						

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>10</b>	<b>Transfers</b>	
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.	We obtained the recognition of transfer documentation submitted by the transferor fund to the Fund from the Fund administrator. The effective date and amount transferred agreed to the recognition of transfer documentation.
10.4.2	<p><b>In respect of unitised funds</b></p> <p>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.</p> <p><b>In respect of non-unitised funds</b></p> <p>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.</p>	<p><b>In respect of unitised funds</b></p> <p>We recalculated 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. The recalculated units agreed to the units per the administration system.</p> <p><b>In respect of non-unitised funds</b></p> <p>Not applicable as the Fund is unitised.</p>
10.5	<p><b>Unclaimed benefit payments</b></p> <p>Obtain a list of unclaimed benefits paid during the year from the Fund administrator, and perform the following procedures:</p>	<p><b>Unclaimed benefit payments</b></p> <p>We obtained a list of unclaimed benefits paid during the year from the Fund administrator, and performed the following procedures:</p>
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 2 of the total number of unclaimed benefits paid from the list, and performed the following procedures:
10.5.2.1	<p>For each selected unclaimed benefit paid, compare the following fields as reflected on the administrator's listing:</p> <ul style="list-style-type: none"> <li>● Gross benefit amount;</li> <li>● Tax amount; and</li> <li>● Late payment interest (if applicable)</li> </ul> <p>to the administration system and the authorised supporting documentation, such as the signed member exit form and SARS Tax Directives and payment letter.</p>	<p>We compared each unclaimed benefit paid, selected from the administration system to the authorised supporting documentation for the following fields:</p> <ul style="list-style-type: none"> <li>• The gross benefit amount;</li> <li>• Tax amount; and</li> <li>• Late payment interest.</li> <li>• No exception noted.</li> </ul>

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>10</b>	<b>Transfers</b>	
10.6	<p><b>Unclaimed benefit transfers</b></p> <p>Obtain a list of unclaimed benefits Section 14 transfers during the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and from the list of unclaimed benefits Section 14 transfers paid/accrued from the Fund throughout the [period/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:</p>	<p><b>Unclaimed benefit transfers</b></p> <p>Not applicable as there were no section 14 transfer relating to unclaimed benefits.</p>
10.6.1	<p>Obtain the following Section 14 documentation from the [Fund administrator/[insert the name and designation of the representative of the Fund]]:</p> <p>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</p> <p>b. Section 14 (8) transfers: the Section 14(8) Form H and J, as prescribed.</p> <p>Agree the following information per the listings to the documentation received:</p> <ul style="list-style-type: none"> <li>● Name of transferor/transferee fund;</li> <li>● Effective date;</li> <li>● Approval date;</li> <li>● Number of members;</li> <li>● Transfer amount; and</li> <li>● Growth and investment return.</li> </ul> <p>Note any exceptions.</p>	<p>Not applicable as there were no section 14 transfer relating to unclaimed benefits.</p>
10.6.2	<p>Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>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.</p> <p>Note any exceptions where the unclaimed benefits Section 14 transfers from the Fund were:</p> <ul style="list-style-type: none"> <li>● Not paid within 60 days of Authority approval for Section 14(1) transfers; and</li> <li>● Not paid within 180 days from the effective date for Section 14(8) transfers.</li> </ul>	<p>Not applicable as there were no section 14 transfer relating to unclaimed benefits.</p>

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>10</b>	<b>Transfers</b>	
10.6.3	Inquire from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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 as there were no section 14 transfer relating to unclaimed benefits.
<b>11</b>	<b>Pensioners paid</b>	
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 10 as reflected in the audited annual financial statements from the Fund administrator for the year ended 30 June 2024, 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 10 as reflected in the audited annual financial statements from the Fund administrator for the year ended 30 June 2024, 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 [insert the general ledger account number]. Note any differences and/or unexplained reconciliation items.	The total pension expense per the reconciliation agreed to the pension expenses general ledger account 5000/3460.
11.2	<b>In-fund pensioners</b>  Obtain a detailed pensioner payroll listing reflecting the pensioner's name, identification number and monthly pension amount for the [period/year] ended [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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:	<b>In-fund pensioners</b>  Not applicable. The Fund did not make pensioner payments.
11.2.1	Obtain the Board of Fund minutes or resolution from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and note the pension increase percentage and the effective date of the pension increase.	Not applicable. The Fund did not make pensioner payments.
11.2.2	Inspect the administration system or observe the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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.	Not applicable. The Fund did not make pensioner payments.
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.	Not applicable. The Fund did not make pensioner payments.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>10</b>	<b>Transfers</b>	
11.2.4	Inquire from the [Fund administrator/[insert the name and designation of the representative of the Fund]] when the most recent (closest to [period/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.	Not applicable. The Fund did not make pensioner payments.
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/[insert the name and designation of the representative of the Fund]] and inspect for the pensioners' names and/or identification numbers of the sample of pensioners.	Not applicable. The Fund did not make pensioner payments.
11.3	<b>Annuities purchased in the name of the Fund</b> Obtain an external confirmation from the annuity providers summarising the movements from the opening market value to the closing market value for the [period/year], and perform the following procedures:	<b>Annuities purchased in the name of the Fund</b> Not applicable as there are no annuities.
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 [insert the general ledger account number]. Note any differences.	Not applicable as there are no annuities.
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 as there are no annuities.
11.4	<b>Living annuities in the Fund</b> 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.	<b>Living annuities in the Fund</b> We obtained 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.  The total pension amount on the detailed pensioner payroll listing of pensioners in receipt of a living annuity agreed to the pensioner amount paid on the pensioner reconciliation obtained in procedure 11.1.
11.4.1	<b>New Living annuities in the Fund</b> 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:	We selected a sample from the listing obtained in procedure 11.4 of 15 of the number of new pensioners in receipt of a living annuity; obtained the detailed pensioner record/statement for the period reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and performed the following procedures:
11.4.1.1	Obtain the [insert the name of the document reflecting the pensioners' chosen drawdown rate at retirement] of the new pensioners in receipt of a living annuity.	We obtained the member payment letter and email of the new pensioners in receipt of a living annuity

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>11</b>	<b>Pensioners paid</b>	
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.	The drawdown rate reflected on the pensioner record/statement obtained in procedure 11.4.1 agreed to the drawdown rate obtained in procedure 11.4.1.1.
11.4.2	<b>All living annuities in the Fund</b> 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 period reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and perform the following procedures:	<b>All living annuities in the Fund</b> We selected a sample from the listing obtained in procedure 11.4 of 25 of the number of pensioners in receipt of a living annuity; obtained the detailed pensioner record/statement for the period reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator; and performed the following procedures:
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.	We compared 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.  No instances were noted where the drawdown rate as per the administration system was higher or lower than the one defined in Section 1 of the Income Tax Act and/or Authority's Conduct Standard on Living Annuities.
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.	We 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. The recalculated drawdown rate agreed to the drawdown rate reflected on the record/statement obtained in procedure 11.4.2.
11.4.2.3	Obtain the Certificate of Existence noted in procedure 11.2.4 from the Fund administrator and inspect for the pensioner's name and/or identification number. Note any exceptions.	We obtained the Certificate of Existence noted in procedure 11.2.4 from the Fund administrator. We inspected the Certificate of Existence for the pensioner's name and/or identification number. No instances were noted where the pensioner's name and/or identification number did not appear on the Certificate of Existence.
<b>12</b>	<b>General</b>	
12.1	Obtain a copies of the fund's fidelity insurance policies from the Fund administrator for the year ended 30 June 2024 and inspect the period of the cover (start date and end date).  Note instances where the cover period does not extend to the year-end. Note the date on which the cover is in place.	We obtained copies of the fund's fidelity insurance policies from the Fund administrator and inspected the period of the policy (1 November 2023 - 30 October 2024). The period of the cover per the policy extended to the year end. The Fund's fidelity insurance cover was in place until 30 October 2024.

	<b>Procedures</b>	<b>Findings</b>
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>12.</b>	<b>General</b>	
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 period of cover(s) and whether the cover(s) extended subsequently to the year-end. Note the end date of the cover(s).	We inquired from the Fund administrator about the date(s) of the latest GLA and/or disability benefit policies of the Fund and noted that cover(s) is/are in place until 30 June 2024. We noted that the cover(s) extended subsequently to the year end till 30 September 2024.
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 30 June 2023 and it was submitted to the Authority on 28 June 2024.
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/Principal Officer/[insert the name and designation of the representative of the Fund / Fund actuary]], 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.
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/Principal Officer/[insert the name and designation of the representative of the Fund / Fund actuary]] 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.



**SizweNtsalubaGobodo Grant Thornton Inc.**  
**Darshen Govender**  
**Director**  
**Registered Auditor**

**18 December 2024**  
**Building 4, Summit Place**  
**Office Park, 221**  
**Garstfontein Road,**  
**Menlyn, 0081**

**Annexure A**

**Procedure 2.3.3**

Member Number	Amount Per Admins system ER	Amount per Employer schedule ER	Differences	Amount Per Admins system EE	Amount per Employer schedule EE	Difference
M01226906	R27,774.87	0	R27,774.87	R7 715.24	R35,490.10	R27,774.87
M01226906	R215,861.30	0	R215,861.30	R59,961.47	R275,822.78	R215,861.30
M20338236	R22,996.73	0	R22,996.73	R9,581.96	R32,581.00	R22,996.73
M20338236	R8,878.10	R8,878.10	0	R3,699.21	R37,303.82	-R33,604.61

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**Investment summary schedule**

		Direct investments	Non-compliant collective investment schemes	Non-compliant insurance policies	Compliant investments	Total
	Note	R	R 9	R 9	R	R
Cash (including cash at bank)	1	552 539 137	14 540 079	11 789 274		578 868 490
Commodities	2	9 922 824	0	0		9 922 824
Debt instruments including Islamic debt instruments	3	2 267 119 062	1 876 864 945	112 618 736		4 256 602 743
Investment properties and owner-occupied properties	4	727 045 748	187 010 828	26 406		914 082 982
Equities	5	7 707 991 644	7 264 188 067	35 458 747		15 007 638 458
Hedge funds		0	84 843 581	0		84 843 581
Private equity funds	6	1 340 040 608	227 223 533	25 120 437		1 592 384 578
Derivative market instruments	7	771 632	0	0		771 632
Collective investment schemes	8				1 729 237 592	1 729 237 592
Insurance policies						
Linked policies	8				721 223 904	721 223 904
Other assets	10	248 020 406	0	0		248 020 406
<b>TOTAL INVESTMENTS</b>		<b>12 853 451 061</b>	<b>9 654 671 033</b>	<b>185 013 600</b>	<b>2 450 461 496</b>	<b>25 143 597 190</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**Investment summary schedule (continued)**

	Local R	Total foreign R	Foreign Africa R	Total percentage foreign exposure %	Derivative positions with residual risk R	Reconciling items between Schedule IA and IB R	Total as per Regulation 28 (Schedule IB) R
Cash (including cash at bank)	502 459 651	76 408 839	0	13.20%	0	1 102 284 917	1 681 153 407
Commodities	9 922 824	0	0	0.00%	0	0	9 922 824
Debt instruments including Islamic debt instruments	2 876 061 690	1 380 541 053	0	32.43%	0	1 317 460 230	5 574 062 973
Investment properties and owner-occupied properties	826 028 185	88 054 797	0	9.63%	0	146 762	914 229 744
Equities	9 126 653 066	5 880 985 392	0	39.19%	0	31 341 219	15 038 979 677
Hedge funds	84 843 581	0	0	0.00%	0	0	84 843 581
Private equity funds	1 219 871 077	372 513 501	0	23.39%	0	0	1 592 384 578
Derivative market instruments	771 632	0	0	0.00%	771 632	(1 543 264)	0
Collective investment schemes	1 715 369 547	13 868 045	0	0.80%	0	(1 729 237 592)	0
Insurance policies							
Linked policies	721 223 904	0	0	0.00%	0	(721 223 904)	0
Other assets	474 128	247 546 278	0	99.81%	0	0	248 020 406
<b>TOTAL INVESTMENTS</b>	<b>17 083 679 285</b>	<b>8 059 917 905</b>	<b>0</b>	<b>32.06%</b>	<b>771 632</b>	<b>(771 632)</b>	<b>25 143 597 190</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**1. Cash**

	<b>Fair value</b>
	<b>R</b>
<b>Local</b>	
<b>Notes, deposits, money market instruments issued by a South African bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments</b>	
<b>Notes and coins, any balance or deposit in an account held with a South African bank</b>	<b>429 366 666</b>
Ascension Capital Partners Fund - Ascension Private Equity Fund I	126 270
Firststrand Bank Limited	815 688
Nedbank Limited	3 411 984
Settlement Account ZAR	(7 982 369)
South African Rand	14 996 874
The Standard Bank of South Africa Limited	348 740 166
The Standard Bank of South Africa Limited - CIT	69 258 053
<b>A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument</b>	<b>(580 592)</b>
Nedbank Limited	(580 592)
<b>Any positive net balance in a margin account with an exchange</b>	<b>25 000 950</b>
JSE Clear Proprietary Limited	519 701
Safex Initial Margin ZAR Call Account	8 779 068
Safex Margin Account - ZAR Call	11 056 767
Yieldx	4 645 414
<b>Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets</b>	<b>39 397 587</b>
Cash	2 170 704
Derivative Cashback Account	(6 033 280)
Eecash-Cash-Sbk	(1 110 572)
Expense	(1 575 273)
KZNPEF	(469 810)
Management Fee	(444 500)
The Standard Bank of South Africa Limited	46 860 318
<b>Foreign</b>	
<b>Balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments</b>	
<b>Any balance or deposit held with a foreign bank</b>	<b>59 354 526</b>
Bank of New York Mellon	40 309 380

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

---

**1. Cash (continued)**

	<b>Fair value</b>
	<b>R</b>
Canadian Dollar	175
Euro	(106 098)
Euro Margin Account	7 492
Pound Sterling	83
Settlement Account Gbp	239 026
United States Dollar	13 503 466
USD Cash Account	4 605 690
USD Margin Account	795 312
<b>Total cash</b>	<b>552 539 137</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

---

**2. Commodities**

<b>Holdings</b>	<b>Local or foreign</b>	<b>Fair value R</b>
<b>Gold (including Kruger Rands)</b>		<b>9 922 824</b>
Absa Bank Limited	Local	9 922 824
<b>Total Commodities</b>		<b>9 922 824</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**3. Debt instruments including Islamic debt instruments**

	Local or foreign	Secured or unsecured	Issued or guaranteed	Redemption value R	Fair value R
<b>Government Debt:</b>					
<b>Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic</b>					<b>1 882 952 750</b>
Republic of South Africa	Local	Unsecured	Issued	1 310 757 148	1 057 352 178
South African Government	Local	Unsecured	Issued	950 250 000	809 630 368
Transnet	Local	Unsecured	Issued	15 300 000	15 970 204
					<b>1 882 952 750</b>
<b>Bank Debt:</b>					
<b>Debt instruments issued or guaranteed by a South African Bank against its balance sheet:</b>					
<b>Listed on an exchange with an issue market capitalisation of R20 billion or more, or an amount or conditions as prescribed</b>					<b>123 631 625</b>
Absa Bank Limited	Local	Unsecured	Issued	14 331 000	15 920 642
CIn385 12.230% 200924	Foreign	Unsecured	Issued	1 400 000	1 415 722
CIn616 12.05% 201229	Foreign	Unsecured	Issued	5 200 000	5 337 890
CIn655 13.65% 220630	Foreign	Unsecured	Issued	4 600 000	4 788 893
CIn908 13.8% 201227	Foreign	Unsecured	Issued	5 000 000	5 208 258
Firststrand Bank Limited	Local	Unsecured	Issued	14 773 000	23 173 577
Firststrand Bank Limited1	Foreign	Unsecured	Issued	4 300 000	4 392 293
Nedbank Limited	Local	Unsecured	Issued	13 620 000	15 716 727
The Standard Bank of South Africa Limited	Local	Unsecured	Issued	46 080 000	47 677 623
					<b>34 756 329</b>
<b>Not listed on an exchange</b>					
African Bank	Local	Unsecured	Issued	34 550 000	34 676 590
The Standard Bank of South Africa Limited	Local	Unsecured	Issued	7 400 000	79 739
					<b>158 387 954</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Debt instruments including Islamic debt instruments (continued)**

	Local or foreign	Secured or unsecured	Issued or guaranteed	Redemption value R	Fair value R
<b>Public debt:</b>					
<b>Debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed:</b>					
Airports Company of South Africa Limited	Local	Unsecured	Issued	1 680 000	3 583 318
Transnet Limited	Local	Unsecured	Issued	46 900 000	42 650 695
Rand Water	Local	Unsecured	Issued	6 000 000	5 796 676
					<b>52 030 689</b>
<b>Other debt instruments:-</b>					
<b>Listed on an exchange</b>					
Bayport	Local	Unsecured	Issued	39 500 000	41 428 971
City of Johannesburg	Local	Unsecured	Issued	7 000 000	7 046 764
City of Tshwane	Local	Unsecured	Issued	200 000	136 169
Martius	Local	Unsecured	Issued	23 000 000	16 099 717
Redink	Local	Unsecured	Issued	11 550 000	9 239 369
SLI7 8.4200% 160828	Local	Unsecured	Issued	3 200 000	3 167 917
					<b>96 628 762</b>
<b>Not listed on an exchange</b>					
P1 Capital Limited - 3 Year Growth Bond	Local	Unsecured	Issued	0	54 868 799
P1 Capital Limited - 3 Year Growth Limited - 0226	Local	Unsecured	Issued	0	18 068 183
P1 Capital Limited - 3 Year Growth Limited - 0287	Local	Unsecured	Issued	0	23 691 780
					<b>173 747 669</b>
<b>Total Debt instruments including Islamic debt instruments</b>					<b>2 267 119 062</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**4. Investment properties and owner-occupied properties**

	Local or foreign	Ordinary or preference or other	Issued shares	Holding number	Holding %	Fair value R
<b>Shares and linked units in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange</b>						
<b>Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed</b>						<b>591 066 210</b>
Capital & Counties Properties	Local	Ordinary	1 953 170 495	17 566	0.00%	576 734
Equites Property Fund Limited	Local	Ordinary	780 684 498	758 028	0.10%	10 023 190
Fortress Real Estate Investments Limited	Local	Ordinary	1 192 801 293	924 037	0.08%	23 988 626
Growthpoint Properties Limited	Local	Ordinary	3 430 787 066	8 446 381	0.25%	103 821 589
Hammerson Plc	Local	Ordinary	5 002 265 607	4 255 480	0.09%	27 360 351
Hyprop Investments Limited	Local	Ordinary	380 399 133	700 371	0.18%	22 328 917
Klepierre	Foreign	Ordinary	0	30 126	0.00%	14 727 471
Leg Immobilien Ag	Foreign	Ordinary	0	13 443	0.00%	20 062 602
Lighthouse Properties Plc	Local	Ordinary	1 830 409 794	502 718	0.03%	4 086 702
Mas Plc	Local	Ordinary	716 145 729	1 282 731	0.18%	20 947 394
Nepi Rockcastle Nv	Local	Ordinary	660 826 020	866 437	0.13%	116 603 618
Redefine Properties Limited	Local	Ordinary	7 052 419 865	32 399 318	0.46%	130 903 947
Resilient Property Income Fund Limited	Local	Ordinary	365 204 738	659 614	0.18%	31 311 102
Shaftesbury Capital Plc	Local	Ordinary	1 953 170 495	272 570	0.01%	8 744 046
Sirius Real Estate Limited	Local	Ordinary	1 348 140 369	745 349	0.06%	16 968 110
Vukile Property Fund Limited	Local	Ordinary	1 104 719 779	2 846 153	0.26%	38 611 811

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**Investment properties and owner-occupied properties (continued)**

	Local or foreign	Ordinary or preference or other	Issued shares	Holding number	Holding %	Fair value R
<b>Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed</b>						<b>119 072 850</b>
Attacq Limited	Local	Ordinary	746 218 337	5 806 200	0.78%	63 158 848
Burstone Group Limited	Local	Ordinary	804 918 444	1 641 884	0.20%	12 359 149
Emira Property Fund Limited	Local	Ordinary	522 667 247	199 491	0.04%	2 192 834
Fairvest Property Holdings Limited	Local	Ordinary	1 498 961 764	1 166 934	0.08%	4 604 754
Fortress Real Estate Investments Limited	Local	Ordinary	1 192 801 293	1 381 898	0.12%	15 265 091
Hyprop Investments Limited	Local	Ordinary	380 399 133	279 024	0.07%	8 761 354
SA Corporate Real Estate Fund	Local	Ordinary	2 514 732 095	3 117 799	0.12%	8 211 274
Stor-Age Property Reit Limited	Local	Ordinary	476 151 609	324 221	0.07%	4 519 546
<b>Issuer market capitalisation of less than R3 billion, or an amount or conditions as prescribed</b>						<b>16 906 688</b>
Dipula Income Fund Limited B	Local	Ordinary	912 001 700	806 532	0.09%	3 306 781
Octodec Investments Limited	Local	Ordinary	266 197 535	147 773	0.06%	1 482 163
RMB Holdings Limited	Local	Ordinary	1 392 933 199	29 555 474	2.12%	12 117 744
						<b>727 045 748</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**5. Equity**

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
<b>Listed equities</b>						
<b>Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed</b>						<b>7 267 863 248</b>
Absa Group Limited	Local	Ordinary	894 376 907	1 838 604	0.21%	294 635 240
African Rainbow Minerals Limited	Local	Ordinary	224 667 778	118 208	0.05%	27 347 825
Anglo American Platinum Limited	Local	Ordinary	265 292 206	50 572	0.02%	31 321 331
Anglo American Plc	Local	Ordinary	1 337 577 913	596 080	0.04%	350 593 286
Anglogold Ashanti Plc	Local	Ordinary	419 882 008	472 330	0.11%	215 879 486
Anheuser-Busch Inbev Sa/Nv	Local	Ordinary	1 797 197 349	59 181	0.00%	64 988 393
Aspen Pharmacare Holdings Limited	Local	Ordinary	446 252 332	369 616	0.08%	88 878 278
Avi Limited	Local	Ordinary	338 960 560	36 526	0.01%	4 247 469
Bhp Group Limited	Local	Ordinary	5 071 530 817	226 489	0.00%	120 040 794
Bid Corporation Limited	Local	Ordinary	335 404 212	242 749	0.07%	106 584 163
Bidvest Group Limited	Local	Ordinary	340 274 346	292 670	0.09%	85 612 742
British American Tobacco Plc	Local	Ordinary	2 456 941 909	497 127	0.02%	288 641 734
Bytes Technology Group	Local	Ordinary	240 340 164	5 415	0.00%	850 032
Capitec Bank Holdings Limited	Local	Ordinary	116 099 843	87 740	0.08%	236 252 456
Clicks Group Limited	Local	Ordinary	238 062 465	127 516	0.05%	45 839 739
Compagnie Financiere Richemont SA	Local	Ordinary	537 582 089	88 840	0.02%	253 919 322
Dis-Chem Pharmacies Limited	Local	Ordinary	860 084 483	44 274	0.01%	1 918 856
Discovery Holdings Limited	Local	Ordinary	676 374 092	496 303	0.07%	68 724 360
Exxaro Resources Limited	Local	Ordinary	349 305 092	359 700	0.10%	65 025 002
Firststrand Bank Limited	Local	Ordinary	5 609 488 001	7 029 863	0.13%	550 660 906
Glencore International Plc	Local	Ordinary	13 550 000 000	1 326 217	0.01%	137 171 103
Gold Fields Limited	Local	Ordinary	895 024 247	1 061 329	0.12%	296 117 141
Harmony Gold Mining Company Limited	Local	Ordinary	632 634 413	233 672	0.04%	41 669 174
Impala Platinum Holdings Limited	Local	Ordinary	904 368 485	1 227 934	0.14%	113 114 942
Investec Limited	Local	Ordinary	295 125 806	101 113	0.03%	14 143 378
Investec Plc	Local	Ordinary	696 082 618	1 086 013	0.16%	145 281 805
Kumba Iron Ore Limited	Local	Ordinary	322 085 974	10 908	0.00%	5 295 783
Life Healthcare Group Holdings Limited	Local	Ordinary	1 467 349 162	2 563 490	0.17%	12 871 909

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**5. Equity (continued)**

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Momentum Metropolitan Holdings Limited	Local	Ordinary	1 393 612 945	1 794 505	0.13%	41 534 051
Mondi Plc	Local	Ordinary	441 412 530	267 303	0.06%	95 356 448
Mr Price Group Limited	Local	Ordinary	256 791 496	491 302	0.19%	102 232 279
MTN Group Limited	Local	Ordinary	1 884 269 758	2 996 437	0.16%	258 267 205
Multichoice Group Limited	Local	Ordinary	442 512 678	667 771	0.15%	71 875 690
Naspers Limited	Local	Ordinary	178 284 116	199 862	0.11%	724 509 516
Nedbank Group Limited	Local	Ordinary	488 105 724	438 221	0.09%	114 435 527
Netcare Limited	Local	Ordinary	1 417 549 301	4 279 304	0.30%	13 196 423
Ninety One Limited	Local	Ordinary	622 624 622	348 418	0.06%	13 296 330
Ninety One Plc	Local	Ordinary	284 754 801	407 848	0.14%	15 702 148
Northam Platinum Holdings Limited	Local	Ordinary	396 238 229	683 636	0.17%	88 074 287
Old Mutual Limited	Local	Ordinary	4 790 906 428	6 660 868	0.14%	83 726 577
Outsurance Group Limited	Local	Ordinary	1 533 388 983	91 943	0.01%	5 312 862
Pepkor Holdings Limited	Local	Ordinary	3 684 679 871	769 369	0.02%	16 777 266
Pick 'N Pay Stores Limited	Local	Ordinary	493 450 321	694 572	0.14%	12 410 294
Prosus Nv	Local	Ordinary	2 577 417 975	558 830	0.02%	379 893 782
Psg Fin Services Limited	Local	Ordinary	1 276 220 968	1 617 955	0.13%	28 550 605
Quilter Plc	Local	Ordinary	1 404 105 498	564 132	0.04%	16 142 076
Reinet Investments Sca	Local	Ordinary	195 941 286	155 360	0.08%	72 813 289
Remgro Limited	Local	Ordinary	529 217 007	732 463	0.14%	101 323 632
Sanlam Limited	Local	Ordinary	2 202 916 000	2 259 034	0.10%	186 057 980
Santam Limited	Local	Ordinary	115 131 417	4 557	0.00%	1 765 891
Sappi Limited	Local	Ordinary	602 291 463	1 149 899	0.19%	56 667 586
Sasol Limited	Local	Ordinary	639 743 757	713 032	0.11%	100 473 965
Shoprite Holdings Limited	Local	Ordinary	591 338 502	418 116	0.07%	122 181 469
Sibanye Stillwater Limited	Local	Ordinary	2 830 567 264	1 162 129	0.04%	24 251 222
South32 Limited	Local	Ordinary	4 529 258 568	822 147	0.02%	37 387 041
Spar Group Limited	Local	Ordinary	192 602 355	733 446	0.38%	87 407 841
Standard Bank Group Limited	Local	Ordinary	1 675 835 579	1 942 745	0.12%	416 404 350
Telkom SALimited	Local	Ordinary	511 140 239	940 839	0.18%	8 630 241
The Foschini Group Limited	Local	Ordinary	331 027 300	1 135 161	0.34%	145 825 154

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**5. Equity (continued)**

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Tiger Brands Limited	Local	Ordinary	180 327 980	83 154	0.05%	17 288 105
Truworths International Limited	Local	Ordinary	408 498 899	751 101	0.18%	71 005 855
Vodacom Group Limited	Local	Ordinary	2 077 841 204	178 206	0.01%	18 776 818
Woolworths Holdings Ltd/South Africa	Local	Ordinary	988 695 949	743 727	0.08%	47 126 896
Zimplats Holdings Limited	Foreign	Ordinary	0	17 672	0.00%	3 555 898

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Equity (continued)**

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
<b>Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed</b>						<b>397 604 725</b>
Adcock Ingram Holdings	Local	Ordinary	161 300 000	8 856	0.01%	511 511
Advtech Limited	Local	Ordinary	554 750 973	57 086	0.01%	2 035 081
AECI Limited	Local	Ordinary	105 517 780	61 296	0.06%	6 993 214
Afrimat Limited	Local	Ordinary	159 690 957	229 236	0.14%	16 570 028
Alexander Forbes Group Holding	Local	Ordinary	1 327 582 154	29 200	0.00%	235 289
Allied Electronics Corp Limited	Local	Ordinary	411 222 517	22 324	0.01%	471 344
Astral Foods Limited	Local	Ordinary	42 922 235	148 751	0.35%	24 481 750
Barloworld Limited	Local	Ordinary	189 641 787	37 682	0.02%	3 497 728
Blue Label Telecoms Limited	Local	Ordinary	913 655 873	52 659	0.01%	234 846
Brait Plc	Local	Ordinary	1 320 312 254	2 468 735	0.19%	2 090 848
Cashbuild Limited	Local	Ordinary	23 900 647	2 699	0.01%	494 807
Coronation Fund Managers Limited	Local	Ordinary	349 592 298	237 421	0.07%	8 712 427
Curro Holdings Limited	Local	Ordinary	576 101 913	57 091	0.01%	763 520
Datatec Limited	Local	Ordinary	229 522 677	248 636	0.11%	9 500 025
Drd Gold Limited	Local	Ordinary	864 588 711	434 485	0.05%	6 977 002
Famous Brands Limited	Local	Ordinary	100 202 284	148 792	0.15%	7 832 805
Grindrod Limited	Local	Ordinary	698 031 586	902 032	0.13%	13 900 825
Hosken Consolidated Invest Limited	Local	Ordinary	85 620 648	8 117	0.01%	1 030 651
Hudaco Industries Limited	Local	Ordinary	30 895 980	3 161	0.01%	633 761
Italtile Limited	Local	Ordinary	1 321 654 148	50 376	0.00%	656 993
JSE Limited	Local	Ordinary	86 877 600	9 303	0.01%	1 220 501
Kap Limited	Local	Ordinary	2 493 716 807	1 979 861	0.08%	5 869 737
Lewis Group Limited	Local	Ordinary	54 038 262	274 167	0.51%	15 490 436
Libstar Holdings Limited	Local	Ordinary	681 921 408	814 199	0.12%	3 052 581
Life Healthcare Group Holdings Limited	Local	Ordinary	1 467 349 162	2 563 490	0.17%	20 615 730
Montauk Holdings Limited	Local	Ordinary	141 015 213	4 771	0.00%	609 900
Motus Holdings Limited	Local	Ordinary	178 300 509	263 508	0.15%	24 701 021
Mpact Limited	Local	Ordinary	149 453 688	145 394	0.10%	3 852 941
Murray & Roberts Holdings Limited	Local	Ordinary	444 736 118	331 439	0.07%	709 279

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Equity (continued)**

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Netcare Limited	Local	Ordinary	1 417 549 301	4 279 304	0.30%	41 699 052
Ninety One Limited	Local	Ordinary	0	30 200	0.00%	1 147 600
Oceana Group Limited	Local	Ordinary	130 431 804	71 279	0.05%	5 392 274
Omnia Holdings Limited	Local	Ordinary	165 124 361	154 797	0.09%	10 482 444
Pan African Resources Plc	Local	Ordinary	2 222 862 046	296 128	0.01%	2 108 631
Pick 'N Pay Stores Limited	Local	Ordinary	493 450 321	694 572	0.14%	5 647 227
Ppc Limited	Local	Ordinary	1 553 764 624	2 259 301	0.15%	7 367 048
Premier Group Limited	Local	Ordinary	0	13 095	0.00%	928 305
Rainbow Chicken Limited	Local	Ordinary	890 207 496	522 927	0.06%	7 707 944
Raubex Group Limited	Local	Ordinary	181 750 036	274 819	0.15%	11 138 440
Reunert Limited	Local	Ordinary	184 969 196	304 927	0.16%	21 656 748
Southern Sun Limited	Local	Ordinary	1 337 136 598	99 547	0.01%	552 340
Sun International Limited	Local	Ordinary	259 653 877	214 393	0.08%	8 074 176
Super Group Limited	Local	Ordinary	340 000 000	643 068	0.19%	18 288 231
Telkom SA Limited	Local	Ordinary	511 140 239	940 839	0.18%	14 568 499
Thungela Resources Limited	Local	Ordinary	140 492 585	10 987	0.01%	1 688 062
Transaction Capital	Local	Ordinary	784 313 142	634 735	0.08%	1 897 873
Tsogo Sun Limited	Local	Ordinary	1 042 596 816	1 638 024	0.16%	18 249 603
We Buy Cars Pty Limited	Local	Ordinary	417 181 120	233 136	0.06%	6 849 287
Wilson Bayly Holmes-Ovcon Limited	Local	Ordinary	71 018 425	176 319	0.25%	28 414 360
<b>Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed</b>						<b>27 853 583</b>
EOH Holdings Limited	Local	Ordinary	638 083 421	9 204 197	1.44%	14 726 715
Epe Capital Partners Limited	Local	Ordinary	287 500 000	777 903	0.27%	3 274 972
JSE Listed	Local	Ordinary	86 877 600	9 303	0.01%	6 033 280
Mahube Infrastructure Limited	Local	Ordinary	55 151 000	108 436	0.20%	536 758
Renegen Limited	Local	Ordinary	147 528 660	321 456	0.22%	2 902 748
Trellidor Holdings Limited	Local	Ordinary	95 209 820	185 838	0.20%	379 110
<b>Unlisted equities</b>						<b>14 670 088</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
 Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
 For the period ended 30 June 2024

**Equity (continued)**

	Local or foreign	Ordinary or preference	Issued shares	Holding number	Holding in issuer or entity %	Fair value R
Easy Hold Co	Local	Ordinary	0	0	0.00%	14 670 088
<b>Total equities</b>						<b>7 707 991 644</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**6. Private equity funds**

Holdings	Local or Foreign	Structure	Category 2 approval	FAIS approval number	Total value of commitment R	Current value of commitment R	
<b>Private equity funds</b>						<b>0</b>	<b>575 778 678</b>
Ascension Capital Partners Fund - Ascension Private Equity Fund I	Local				0	105 862 732	
Coral Cove Private Credit Fund	Foreign				0	369 176 915	
Infra Impact Investment Managers	Local				0	43 154 507	
Umthombo Agri Fund	Local				0	57 584 524	
<b>Funds of private equity funds</b>						<b>0</b>	<b>764 261 930</b>
KZN - Insite Towers	Local				0	150 838 356	
Mahlako Energy Fund I Partnership	Local				0	61 387 576	
MSM Property Fund proprietary Limited	Local				0	254 023 952	
Prescient Clean Energy & Infrastructure Debt Fund Trust - B	Local				0	186 287 534	
Vuna Partners Fund I	Local				0	111 724 512	
<b>Total private equity funds commitment</b>					<b>0</b>	<b>1 340 040 608</b>	

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**  
For the period ended 30 June 2024

**7. Direct derivative market instruments**

**7.1. Derivative positions with 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
<b>Equity linked instruments</b>								
SPY US 20/09/24 P450	Foreign	Unlisted	0	16	27 938	0	0	0
SPY US 20/12/24 P450	Foreign	Unlisted	0	50	90 716	0	0	0
SPY US 20/12/24 P455	Foreign	Unlisted	0	54	97 618	0	0	0
SPY US 20/12/24 P515	Foreign	Unlisted	0	155	263 857	0	0	0
SPY US 20/12/24 P520	Foreign	Unlisted	0	171	291 174	0	0	0
SPY US 28/06/24 P448	Foreign	Unlisted	0	0	329	0	0	0
			<b>0</b>	<b>446</b>	<b>771 632</b>	<b>0</b>	<b>0</b>	<b>0</b>

Instrument	Exchange rate R	Fixed rate or variable rate	Counter party	Counter party %	Expiry date	Holding number	Holding %	Residual Risk R
<b>Equity linked instruments</b>								
SPY US 20/09/24 P450	0			0.00%	20/09/2024	18	0.00%	0
SPY US 20/12/24 P450	0			0.00%	20/12/2024	18	0.00%	0
SPY US 20/12/24 P455	0			0.00%	20/12/2024	18	0.00%	0
SPY US 20/12/24 P515	0			0.00%	20/12/2024	17	0.00%	0
SPY US 20/12/24 P520	0			0.00%	20/12/2024	17	0.00%	0
SPY US 28/06/24 P448	0			0.00%	28/06/2024	18	0.00%	0
								<b>0</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**8. Certified Regulation 28 compliant investments**

<b>Instrument</b>	<b>Local R</b>	<b>Foreign R</b>	<b>Fair value R</b>
<b>Collective investment schemes</b>	<b>1 715 369 548</b>	<b>13 868 044</b>	<b>1 729 237 592</b>
Camissa Asset Management - Camissa Islamic Balanced Fund	17 049 126	7 595 502	24 644 628
Coronation Absolute Bond Portfolio	568 349 308	0	568 349 308
Coronation Strategic Cash Portfolio	721 213 209	0	721 213 209
Old Mutual Investment - Shari'ah Balanced Fund	18 693 648	6 272 542	24 966 190
Stanlib Unit Trusts - Stanlib Bond Fund	390 064 257	0	390 064 257
<b>Linked policies</b>	<b>721 223 904</b>	<b>0</b>	<b>721 223 904</b>
Taquanta Asset Management - Taquanta Core Cash Fund	721 223 904	0	721 223 904
	<b>2 436 593 452</b>	<b>13 868 044</b>	<b>2 450 461 496</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**9. Regulation 28 non-compliant investments**

Instrument	Local R	Foreign R	Fair value R
<b>Collective investment schemes</b>	<b>2 348 535 081</b>	<b>7 306 135 952</b>	<b>9 654 671 033</b>
ATA Capital Proprietary Limited	97 563 595	0	97 563 595
Blackrock Developed World Index Sub Fund	0	2 453 600 238	2 453 600 238
Blackrock MSCI Emerging Market Equity	0	440 584 569	440 584 569
Coronation Asset Management Proprietary Limited - Managed portfolio	1 435 465 111	1 207 623 956	2 643 089 067
M&G Investment Managers South Africa Proprietary Limited - Global Balanced Feeder Fund	142 362 496	1 164 988 592	1 307 351 088
M&G Investments Global Balanced Fund	3 056 486	345 295 353	348 351 839
Ninety One Asset Management - Global Balanced Fund	384 134 317	1 228 630 550	1 612 764 867
Old Mutual Life Assurance Company South Africa Limited - MM Long Short Equity FOHF portfolio	44 683 069	0	44 683 069
Old Mutual Life Assurance Company South Africa Limited - MM Private Equity 2 portfolio	34 049 039	0	34 049 039
Old Mutual Life Assurance Company South Africa Limited - Private Equity Secondary Fund	95 610 899	0	95 610 899
P1 Finance Plc Listed Bond	0	272 109 706	272 109 706
Sanlam Collective Investments Proprietary Limited - SMM Institutional Positive Return Fund	111 596 126	34 287 937	145 884 063
SPDR S&P Kensho New Economies Composite Etf	0	159 015 051	159 015 051
Stanlib Asset Management Limited - Property Income Fund portfolio	13 943	0	13 943
<b>Linked policies</b>	<b>181 438 069</b>	<b>3 575 531</b>	<b>185 013 600</b>
Alexander Forbes Investments Limited - Private Markets SA	181 438 069	3 575 531	185 013 600
<b>Total non-compliant investments</b>	<b>2 529 973 150</b>	<b>7 309 711 483</b>	<b>9 839 684 633</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**10. Other assets**

Description	Local R	Foreign R	Fair value R
Apex Structured Liquid Solution 12.00% Junior Note	0	65 935 034	65 935 034
Apex Structured Liquid Solution 8.00% Senior Note	0	64 639 573	64 639 573
Ascension Capital Partners Fund - Ascension Private Equity Fund I	474 128	0	474 128
Re Capital (Luxembourg) South Africa	0	116 971 671	116 971 671
<b>Total other portfolio assets</b>	<b>474 128</b>	<b>247 546 278</b>	<b>248 020 406</b>

**SCHEDULE IA****KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Risk management Credit/counter party risk**

Counter party	Direct investment in counter party R	Deposit or liquid asset with counter party R	Guarantees R	Any other instrument R	Total for counter party R	Exposure to counter party as a % of the fair value of the Fund %
<b>Banks</b>						
The Standard Bank of South Africa Limited	47 677 623	417 998 219	1 024 872 637	0	1 490 548 479	5.93%
<b>Asset managers – local</b>						
Alexander Forbes Financial Services Proprietary Limited	0	0	0	185 013 600	185 013 600	0.74%
Apex Structured Liquid Solution	0	0	0	130 574 607	130 574 607	0.52%
Argon Asset Management Proprietary Limited	0	0	0	1 344 173 393	1 344 173 393	5.35%
Ascension Asset Managers Limited	0	0	0	53 231 565	53 231 565	0.21%
ATA Capital Proprietary Limited	0	0	0	97 563 595	97 563 595	0.39%
BlackRock Investment Management (UK) Limited	0	0	0	2 894 184 807	2 894 184 807	11.51%
Camissa Asset Management Proprietary Limited	0	0	0	24 644 628	24 644 628	0.10%
Coronation Asset Management Proprietary Limited	0	0	0	4 545 511 919	4 545 511 919	18.08%
Infra-Impact Investment Managers Proprietary Limited	0	0	0	43 154 507	43 154 507	0.17%
Lima Mbeu Investment Managers Proprietary Limited	0	0	0	559 917 439	559 917 439	2.23%
M & G Investment Managers Proprietary Limited	0	0	0	3 618 721 207	3 618 721 207	14.39%
Mahlako-A-Phahla Financial Services Proprietary Limited	0	0	0	61 387 576	61 387 576	0.24%
Mazi Asset Management Proprietary Limited	0	0	0	1 074 794 128	1 074 794 128	4.27%
Meago Trading Proprietary Limited	0	0	0	155 285 340	155 285 340	0.62%
Mergence Investment Managers Proprietary Limited	0	0	0	545 245 109	545 245 109	2.17%
Mianzo Asset Management Proprietary Limited	0	0	0	1 076 251 569	1 076 251 569	4.28%
MSM Property Fund Proprietary Limited	0	0	0	254 023 952	254 023 952	1.01%
NinetyOne Asset Management Proprietary Limited	0	0	0	3 267 453 386	3 267 453 386	13.00%
Old Mutual Life Assurance Company South Africa Limited	0	0	0	199 309 198	199 309 198	0.79%
Peresec International Limited	0	0	0	431 124 757	431 124 757	1.71%
Prescient Investment Management Proprietary Limited	0	0	0	186 287 535	186 287 535	0.74%
Prime Asset Managers Proprietary Limited	0	0	0	747 218 640	747 218 640	2.97%
RE Capital (Luxembourg) SA	0	0	0	116 971 671	116 971 671	0.47%
Sanlam Investment Management Proprietary Limited	0	0	0	971 249 747	971 249 747	3.86%
Stanlib Asset Management Proprietary Limited	0	0	0	390 078 200	390 078 200	1.55%
Taquanta Asset Management	0	0	0	721 223 904	721 223 904	2.87%

**SCHEDULE IA****KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Risk management Credit/counter party risk (continued)**

<b>Counter party</b>	<b>Direct investment in counter party R</b>	<b>Deposit or liquid asset with counter party R</b>	<b>Guarantees R</b>	<b>Any other instrument R</b>	<b>Total for counter party R</b>	<b>Exposure to counter party as a % of the fair value of the Fund %</b>
Umthombo Investment Managers-Proprietary Limited	0	0	0	57 584 524	57 584 524	0.23%
Vuna Partners Proprietary Limited	0	0	0	111 724 512	111 724 512	0.44%
Vunani Fund Managers Proprietary Limited	0	0	0	973 234 697	973 234 697	3.87%

**SCHEDULE IA****KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Market risk****List of the 10 largest rand value equity holdings**

<b>Investments</b>	<b>Fair value at end of period</b>	<b>Total fair value equity holdings and open instruments</b>	<b>Market movement by 5%</b>
	<b>R</b>	<b>R</b>	<b>R</b>
Naspers Limited	724 509 516	724 509 516	36 225 476
FirstRand Bank Limited	550 660 906	550 660 906	27 533 045
Standard Bank Group Limited	416 404 350	416 404 350	20 820 218
Prosus NV	379 893 782	379 893 782	18 994 689
Anglo American Plc	350 593 286	350 593 286	17 529 664
Gold Fields Limited	296 117 141	296 117 141	14 805 857
ABSA Group Limited	289 043 222	289 043 222	14 452 161
British American Tobacco Plc	288 641 734	288 641 734	14 432 087
MTN Group Limited	258 267 205	258 267 205	12 913 360
Compagnie Financiere Richemont SA	253 919 322	253 919 322	12 695 966
<b>Total value of 10 largest equity holdings</b>	<b>3 808 050 464</b>	<b>3 808 050 464</b>	<b>190 402 523</b>
<b>Total movement as % of non-current assets plus bank</b>			<b>0.76%</b>

**SCHEDULE IA****KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Other financial instruments****List of the 10 largest rand value other financial instruments**

	Fair value R	Market movement by 5% R
M&G Investments Global Balanced Fund	3 270 369 368	163 518 468
Ninety One Asset Management Proprietary Limited - Global Balanced Fund	3 267 453 386	163 372 669
Coronation Asset Management Proprietary Limited - Managed portfolio	3 255 949 402	162 797 470
Blackrock Developed World Index Sub Fund	2 453 600 238	122 680 012
Argon South Africa Equity Fund	1 344 173 393	67 208 670
Mianzo Capped Swix Active Equity Fund	1 076 251 569	53 812 578
Mazi Asset Management Proprietary Limited - Equity Swix Fund	1 074 794 128	53 739 706
Sanlam Investment Management Proprietary Limited - KZN Satrix Swix Fund	825 365 684	41 268 284
Coronation Asset Management Proprietary Limited - Strategic Cash portfolio	721 213 209	36 060 660
Coronation Asset Management Proprietary Limited - Absolute Bond portfolio	568 349 308	28 417 465
<b>Total value of 10 largest other financial instruments</b>	<b>17 857 519 685</b>	<b>892 875 982</b>
<b>Total movement as % of non-current assets plus bank</b>		<b>3.55%</b>

**Foreign currency exposure**

Foreign investments	Description	Fair value at end of period R	Market movement by 5% R
Bank of New York Mellon	Foreign cash	40 309 380	2 015 469
Canadian Dollar	Foreign cash	175	9
CIn385 12.230% 200924 (CIn385)	Foreign listed bonds	1 415 722	70 786
CIn616 12.05% 201229 (CIn616)	Foreign listed bonds	5 337 890	266 895
CIn655 13.65% 220630 (CIn655)	Foreign listed bonds	4 788 893	239 445
CIn908 13.8% 201227 (CIn908)	Foreign listed bonds	5 208 258	260 413
Coral Cove Private Credit Fund	Foreign equity	369 176 915	18 458 846
Euro Currency	Foreign cash	(1 060 980)	(53 049)
Euro Margin Account	Foreign cash	7 492	375
Firstrand Bank Limited	Foreign listed bonds	4 392 293	219 615
GBP Margin and Settlement Account	Foreign cash	239 026	11 951
Klepierre	Foreign listed bonds	14 727 471	736 374
Leg Immobilien Ag	Foreign listed bonds	20 062 602	1 003 130

**SCHEDULE IA****KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**Foreign currency exposure**

<b>Foreign investments</b>	<b>Description</b>	<b>Fair value at end</b>	<b>Market movement</b>
		<b>of period</b>	<b>by 5%</b>
		<b>R</b>	<b>R</b>
Pound Sterling	Foreign cash	83	4
SPY US 20/09/24 P450	Foreign equity derivatives	27 938	1 397
SPY US 20/12/24 P450	Foreign equity derivatives	90 716	4 536
SPY US 20/12/24 P455	Foreign equity derivatives	97 618	4 881
SPY US 20/12/24 P515	Foreign equity derivatives	263 857	13 193
SPY US 20/12/24 P520	Foreign equity derivatives	291 174	14 559
SPY US 28/06/24 P448	Foreign equity derivatives	329	16
US Dollars	Foreign cash	13 503 466	675 173
US Dollars Cash Account	Foreign cash	4 605 690	230 285
USD Margin Account	Foreign cash	795 312	39 766
Zimplats Holdings Limited	Foreign equity derivatives	3 555 898	177 795
<b>Total value of foreign instruments</b>		<b>487 837 218</b>	<b>24 391 864</b>
<b>Total movement as % of non-current assets plus bank</b>			<b>0.10%</b>

**SCHEDULE IA**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Schedules to the Annual Financial Statements**

For the period ended 30 June 2024

**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	Total R
Cash (including cash at bank)	234 959 442	317 579 695	0	14 540 079	11 789 274	578 868 490
Commodities	9 922 824		0	0	0	9 922 824
Debt instruments including Islamic debt instruments	2 267 119 062		0	1 876 864 945	112 618 736	4 256 602 743
Investment properties and owner- occupied properties	0		727 045 748	187 010 828	26 406	914 082 982
Equities	8 435 037 392		(727 045 748)	7 264 188 067	35 458 747	15 007 638 458
Hedge funds	0		0	84 843 581	0	84 843 581
Private equity funds	1 340 040 608		0	227 223 533	25 120 437	1 592 384 578
Derivative market instruments	771 632		0	0	0	771 632
Collective investment schemes	11 383 908 625		0	(9 654 671 033)	0	1 729 237 592
Insurance policies	906 237 504		0	0	(185 013 600)	721 223 904
Other assets	248 020 406		0	0	0	248 020 406
<b>TOTAL INVESTMENTS</b>	<b>24 826 017 495</b>	<b>317 579 695</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25 143 597 190</b>

**SCHEDULE IB**  
**KZN Municipal Pension Fund**  
**Registration number: 12/8/36983**

**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 KZN Municipal 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 KZN Municipal Pension Fund (the Fund) with a reasonable assurance opinion that Schedule IB "Assets held in compliance with Regulation 28" (the Schedule) on pages 124 to 131 at 30 June 2024 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 30 June 2024.

### **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 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.

**SCHEDULE IB**  
**KZN Municipal Pension Fund**  
**Registration number: 12/8/36983**

**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 KZN Municipal Pension Fund (Continued)**

**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.

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 KZN Municipal Pension Fund for the year ended 30 June 2024, prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, on which we issued an unmodified opinion on 18 December 2024. 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.

**SCHEDULE IB**  
**KZN Municipal Pension Fund**  
**Registration number: 12/8/36983**

**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 KZN Municipal Pension Fund (Continued)**

**Opinion**

In our opinion, the Schedule IB "Assets held in compliance with Regulation 28" at 30 June 2024 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 30 June 2024.

**Other matter**

Schedule IB was prepared in accordance with communication 19 of 2023 (the communication), as issued by the FSCA. The communication highlights that the format of Schedule IB is not aligned with the amended Regulation 28 that came into effect on 3 January 2023. Our opinion is not modified in terms of this matter.

**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 1 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.



**SizweNtsalubaGobodo Grant Thornton Inc.**

**Darshen Govender**  
**Director**  
**Registered Auditor**

**18 December 2024**  
**Building 4, Summit Place**  
**Office Park, 221**  
**Garstfontein Road,**  
**Menlyn, 0081**

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**

For the period ended 30 June 2024

		R
<b>A</b>	<b>Total assets (Schedule IA - Total investments)</b>	<b>25 143 597 190</b>
<b>B1</b>	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
<b>B2</b>	Less: Regulation 28 excluded investments	0
	B2.1 Insurance policies (Regulation 28(3)(c))	0
<b>C</b>	Less: Investments not disclosed or data not available for disclosure (IA.13)	0
<b>D</b>	<b>TOTAL ASSETS FOR REGULATION 28 DISCLOSURE</b>	<b>25 143 597 190</b>

Categories of kinds of assets	%	Fair value R	Fair value %
1 Cash	100%	1 681 153 407	6.69%
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%	1 603 841 854	6.38%
(a) Notes and coins, any balance or deposit in an account held with a South African bank	100%	508 899 162	2.02%
The Standard Bank of South Africa Limited	25%	365 116 203	1.45%
(b) A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument	100%	1 143 428 530	4.55%
Nedbank Limited	25%	312 182 513	1.24%
(c) Any positive net balance in a margin account with an exchange	100%	30 626 170	0.12%
Safex Margin Account - ZAR Call	25%	11 056 769	0.04%
(d) Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets	100%	(79 112 008)	(0.31)%
Eecash-Sbk	25%	132 665 659	0.53%
1.2 Foreign balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management	SARB maximum limits	77 311 553	0.31%

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**  
For the period ended 30 June 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
financial instruments			
(a) Any balance or deposit held with a foreign bank		91 695 305	0.36%
State Street Bank And Trust	5%	41 617 257	0.17%
(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		(14 383 752)	(0.06)%
Hsbc Bank Plc	5%	(14 383 752)	(0.06)%
<b>2 Debt Instruments including Islamic debt instruments</b>	<b>100% issued / guaranteed by Republic otherwise</b>	<b>5 574 062 973</b>	<b>22.17%</b>
<b>2.1 Inside the Republic</b>	<b>75/100%</b>	<b>4 193 521 921</b>	<b>16.68%</b>
(a) Debt instruments issued by, and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic	100%	2 986 297 381	11.88%
(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%	686 822 980	2.73%
(i) Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	651 684 173	2.59%
Firststrand Bank Limited	25%	212 299 780	0.84%
(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%	4 446	0.00%
Bnp Paribas SA - RSA Branch	15%	4 446	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%	35 134 361	0.14%

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**  
For the period ended 30 June 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
African Bank	5%	34 676 590	0.14%
(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%	258 767 456	1.03%
(i) Listed on an exchange	50%	244 652 429	0.97%
Transnet Soc Limited	10%	60 314 411	0.24%
(ii) Not listed on an exchange	25%	14 115 027	0.06%
Discovery Limited	5%	2 736 864	0.01%
(e) Other debt instruments:	25%	261 634 104	1.04%
(i) Listed on an exchange	25%	120 049 797	0.48%
Bayport	5%	41 555 705	0.17%
(ii) Not listed on an exchange	15%	141 584 307	0.56%
P1 Capital Limited - 3 Year Growth Bond	5%	54 868 799	0.22%
<b>2.2 Outside the Republic</b>	<b>SARB maximum limits</b>	<b>1 380 541 052</b>	<b>5.49%</b>
(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	4 541 005	0.02%
(b) Debt instruments issued or guaranteed by the government of a foreign country	SARB maximum limits	696 488 098	2.77%
Ct2 Sep 24 Bond Futures	10%	61 985 100	0.25%
(c) Debt instruments issued or guaranteed by a South African bank against its balance sheet	SARB maximum limits	34 018 185	0.14%
(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	34 018 185	0.14%
Absa Bank Limited	25%	12 875 130	0.05%
(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	SARB	0	0.00%

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**

For the period ended 30 June 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	maximum limits		
(iv) Not listed on an exchange	25%	0	0.00%
(d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	SARB maximum limits	588 570 928	2.34%
(i) Listed on an exchange	SARB maximum limits	586 807 955	2.33%
P1 Finance Plc	10%	272 109 706	1.08%
(ii) Not listed on an exchange	25%	1 762 973	0.01%
Santander UK Plc	5%	886 251	0.00%
(e) Other debt instruments	25%	56 922 836	0.23%
(i) Listed on an exchange	25%	35 656 911	0.14%
Bpm6g9rw1 Irs Jpy R V 12Mtonar 1 Ois 101025	5%	14 167 594	0.06%
(ii) Not listed on an exchange	15%	21 265 925	0.08%
Bpm6g9rw1 Irs Jpy R V 12Mtonar 1 Ois 101025	5%	3 616 436	0.01%
<b>3 Equities</b>	<b>75%</b>	<b>15 038 979 677</b>	<b>59.81%</b>
<b>3.1 Inside the Republic</b>	<b>75%</b>	<b>9 145 028 953</b>	<b>36.38%</b>
(a) Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange	75%	9 094 981 023	36.18%
(i) Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	75%	8 459 638 450	33.65%
Naspers Limited	15%	766 416 210	3.05%
(ii) Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	75%	602 314 301	2.40%
Motus Holdings Limited	10%	50 206 723	0.20%
(iii) Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	75%	33 028 272	0.13%
EOHHoldings Limited	5%	14 726 715	0.06%

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**

For the period ended 30 June 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
(b) Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	50 047 930	0.20%
Easy Hold Company	2.5%	14 670 088	0.06%
3.2 Outside the Republic	SARB maximum limits	5 893 950 724	23.44%
(a) Preference and ordinary shares in companies, excluding shares in property companies, listed on an exchange	SARB maximum limits	5 893 945 829	23.44%
(i) Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed	SARB maximum limits	5 861 723 290	23.31%
Blackrock Developed World Index Sub Fund	15%	0	0.00%
(ii) Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed	SARB maximum limits	23 896 191	0.10%
Shoals Technologies Group Inc	10%	3 951 516	0.02%
(iii) Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	SARB maximum limits	8 326 348	0.03%
Aedifica	5%	4 977 713	0.02%
(b) Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange	10%	4 895	0.00%
Eco Atl Warrant	2.5%	4 895	0.00%
4 Immovable property	25%	914 229 744	3.64%
4.1 Inside the Republic	25%	826 174 947	3.29%
(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%	826 042 057	3.29%
(i) Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%	653 000 793	2.60%

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**  
For the period ended 30 June 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
Redefine Properties Limited	15%	143 240 588	0.57%
(ii) Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed	25%	146 437 216	0.58%
Attacq Limited	10%	64 407 940	0.26%
(iii) Issuer market capitalisation of less than R3 billion or an amount or conditions as prescribed	25%	26 604 048	0.11%
Rmb Holdings Limited	5%	12 117 744	0.05%
(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%	132 890	0.00%
Vukile Property Fund Limited	5%	132 890	0.00%
<b>4.2 Outside the Republic</b>	<b>25%</b>	<b>88 054 797</b>	<b>0.35%</b>
(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%	88 054 797	0.35%
(i) Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25%	68 858 560	0.27%
Leg Immobilien Ag	15%	20 062 602	0.08%
(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%	19 196 237	0.08%
Sirius Real Esta	5%	5 635 120	0.02%
(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%

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**

For the period ended 30 June 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
5 Commodities	10%	9 922 824	0.04%
5.1 Inside the Republic	10%	9 922 824	0.04%
(a) Kruger Rands and other commodities on an exchange, including exchange traded commodities	10%	9 922 824	0.04%
(i) Gold (including Kruger Rands)	10%	9 922 824	0.04%
(ii) Other commodities	5%	0	0.00%
5.2 Outside the Republic	10%	0	0.00%
(a) Gold and other commodities on an exchange, including exchange traded commodities	10%	0	0.00%
(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		1 925 248 565	7.66%
8.1 Inside the Republic		1 305 188 786	5.19%
(a) Hedge fund	10%	84 843 581	0.34%
(i) Funds of hedge funds	10%	44 683 069	0.18%
Om Mm Long Short Equity Hedge	5%	44 683 069	0.18%
(ii) Hedge funds	10%	40 160 512	0.16%
Coronation Multi-Strategy Arbitrage Hedge Fund Z	2.5%	21 968 706	0.09%
(b) Private equity funds	15%	1 219 871 077	4.85%
(i) Funds of private equity funds		996 624 244	3.96%
Msm Property Fund (Pty) Limited	10%	254 023 952	1.01%
(ii) Private equity funds		223 246 833	0.89%

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**  
For the period ended 30 June 2024

Categories of kinds of assets (continued)	%	Fair value R	Fair value %
Umthombo Agricultural Fund	5%	57 584 524	0.23%
(c) Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2.5%	474 128	0.00%
<b>8.2 Outside the Republic</b>		<b>620 059 779</b>	<b>2.47%</b>
(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%	372 513 501	1.48%
(i) Funds of private equity funds		0	0.00%
(ii) Private equity funds		372 513 501	1.48%
Coral Cove Private Credit Fund	5%	369 176 915	1.47%
(c) Other assets not referred to in this schedule and excluding a hedge fund or private equity fund	2.5%	247 546 278	0.98%
<b>TOTAL (Regulation 28) (D above)</b>		<b>25 143 597 190</b>	<b>100%</b>

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**  
Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**  
For the period ended 30 June 2024

**Investment summary (Regulation 28)**

	Local R	Percentage of fair value %	Foreign R	Percentage of fair value %	Total R
1 Balances or deposits, money market instruments issued by a bank including Islamic liquidity management financial instruments	1 603 841 854	6.38%	77 311 553	0.31%	1 681 153 407
2 Debt instruments including Islamic debt instruments	4 193 521 921	16.68%	1 380 541 052	5.49%	5 574 062 973
3 Equities	9 145 028 953	36.37%	5 893 950 724	23.44%	15 038 979 677
4 Immovable property	826 174 947	3.29%	88 054 797	0.35%	914 229 744
5 Commodities	9 922 824	0.04%	0	0.00%	9 922 824
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	1 305 188 786	5.19%	620 059 779	2.47%	1 925 248 565
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
<b>TOTAL (equal to the fair value of assets)</b>	<b>17 083 679 285</b>	<b>67.94%</b>	<b>8 059 917 905</b>	<b>32.06%</b>	<b>25 143 597 190</b>

**SCHEDULE IB**  
**KZN MUNICIPAL PENSION FUND**

Registration number: 12/8/36983

**Assets held in compliance with Regulation 28**

For the period ended 30 June 2024

**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 %
<b>Asset limits in terms of sub-regulation 3(f)</b>			
Other debt instruments not listed	162 850 232	0.65%	
Equities not listed	50 052 825	0.20%	
Immovable properties not listed	132 890	0.00%	
Hedge funds, private equity funds and other assets	1 925 248 565	7.66%	
<b>TOTAL</b>	<b>2 138 284 512</b>	<b>8.50%</b>	<b>45%</b>
<b>Asset limits in terms of sub-regulation 3(g)</b>			
Equities not listed	50 052 825	0.20%	
Private equity funds	1 592 384 578	6.33%	
<b>TOTAL</b>	<b>1 642 437 403</b>	<b>6.53%</b>	<b>20%</b>
<b>Asset Limits in terms of Sub-regulation 3(h)</b>			
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)	<b>2 453 600 238</b>	<b>9.76%</b>	<b>25%</b>