



Pension Preservation  
Fund

## **Annual Financial Statements**

Name of retirement fund: OUTvest Pension Preservation Fund

Registration number: 12/8/38213

For the period ended: 30 June 2023

## **OUTvest Pension Preservation Fund**

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**OUTvest Pension Preservation Fund****SCHEDULE A - Regulatory information for the period ended 30 June 2023****Registered office of the fund**

Postal address: PO Box 8443, Centurion, 0046  
 Physical address: 1241 Embankment Road, Zwartkop Ext 7, Centurion, 0157

**Financial reporting periods**

Current: 1 July 2022 to 30 June 2023  
 Previous: 1 July 2021 to 30 June 2022

**Board of Fund**

The following individuals were trustees or officers of the Fund throughout the period under review:

Trustees	Capacity	Date		Email address
		appointed	resigned	
Cheryl Mestern	Independent Chairperson	01/07/2019		cheryl.mestern@petalon.co.za
Sandy Oberholzer	Independent	01/06/2020		sandy.oberholzer@gmail.com
Mark van der Watt	Sponsor appointed	01/06/2020		vanderwattm@out.co.za
Paul Myeza	Sponsor appointed	01/06/2020	29/06/2023	myezap@out.co.za
Vuyokazi Memani-Sedile	Independent	01/07/2021		vuyo.memani_sedile@icloud.com
Leslie van der Merwe (Pretorius)	Sponsor appointed	01/07/2021		PretoriusLe@out.co.za
Gareth Van Deventer	Sponsor	01/09/2023		vandeventer2@out.co.za

**Schedule of meetings held by the Board of Fund**

Meeting date	Place of meeting	Quorum present
18/08/2022	Hybrid	Yes
29/09/2022	Hybrid	Yes
18/11/2022	Hybrid	Yes
29/11/2022	Hybrid	No *
15/02/2023	Hybrid	Yes
17/05/2023	Hybrid	Yes
15/06/2023	Hybrid	No **

29 November 2022

\*An additional meeting of the Board was called to receive PwC's presentation of the Report to Management following the annual audit of the financial statements to the Board. No other matters were on the agenda and no decisions were taken at the meeting. The annual financial statements were subsequently approved by round robin resolution and the decision was noted at the next meeting of the Board.

15 June 2023

\*\*An additional meeting of the Board was called for the Sponsor to inform the Board Members in person that OUTsurance Holdings Limited had decided to divest of its interest in OUTvest (Pty) Ltd. Board Members not in attendance were briefed separately. No other matters were on the agenda and no decisions were taken at the meeting.

**Principal officer**

Name: Mark de Klerk  
 Postal address: PO Box 8443, Centurion, 0046  
 Physical address: 1241 Embankment Road, Zwartkop Ext 7, Centurion, 0157  
 Telephone number: 011 678 0101  
 Date of appointment: 11/07/2019  
 Email address: deklerkm@out.co.za

**Details of professional service providers****Actuary**

Name: Colin Tilmann Hendriks (SNG-ARGEN Actuarial Solutions)  
 Physical address: 1st Floor Marlborough Gate, Hyde Park, 2196  
 Email address: chendriks@sng-argen.com  
 Telephone number: 011 025 0860  
 Date of appointment: 11/07/2019

**OUTvest Pension Preservation Fund**

**SCHEDULE A - Regulatory information for the period ended 30 June 2023**

Auditor

Name: PricewaterhouseCoopers Inc.  
Physical address: 4 Lisbon Lane, Waterfall City, Jukskei view, 2090  
Email address: johannes.grove@pwc.com  
Telephone number: 011 797 4000  
Date of appointment: 11/07/2019

Benefit administrator

Name: OUTvest (Pty) Ltd  
Physical address: 1241 Embankment Road, Zwartkop Ext 7, Centurion, 0157  
Telephone number: 0860 688 837  
Date of appointment: 11/07/2019  
13B number: 24/786

Investment advisor

Name: OUTvest (Pty) Ltd  
Physical address: 1241 Embankment Road, Zwartkop Ext 7, Centurion, 0157  
Telephone number: 0860 688 837  
Date of appointment: 11/07/2019  
FSP number: 47234

Nominee

Name: OUTvest (Nominees) (Pty) Ltd  
Physical address: 1241 Embankment Road, Zwartkop Ext 7, Centurion, 0157  
Telephone number: 0860 688 837  
Date of appointment: 11/07/2019



**OUTvest Pension Preservation Fund**  
**SCHEDULE B - Statement of responsibility by the Board of Fund**  
**for the period ended 30 June 2023**

**Responsibilities**

The Board of Fund hereby confirm to the best of their knowledge and belief that, during the period under review, in the execution of their duties they have complied with the duties imposed by the Pension Funds Act 24 of 1956 (Pension Funds Act) legislation and the rules of the Fund, including the following:

- ensured that proper registers, books and records of the operations of the Fund were kept, inclusive of proper minutes of all resolutions passed by the Board of Fund;
- ensured that proper internal control systems were employed by or on behalf of the Fund
- ensured that adequate and appropriate information was communicated to the members of the Fund, informing them of their rights, benefits and duties in terms of the rules of the Fund;
- took all reasonable steps to ensure that contributions, where applicable, were paid timeously to the Fund or reported where necessary in accordance with section 13A of the Pension Funds Act in South Africa and Conduct Standard 1 of 2022;
- 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 in South Africa and all other applicable laws;
- ensured that fidelity cover was maintained. This cover was deemed adequate and in compliance with the rules of the Fund; and
- ensured that investments of the Fund were implemented and maintained in accordance with the Fund's investment strategy.

**Approval of the annual financial statements**

The annual financial statements of the OUTvest Pension Preservation 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 administrators, provide reasonable assurance that:

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

The annual financial statements set out on pages 13 to 18 have been prepared for regulatory purposes in accordance with the regulatory reporting requirements for retirement Funds in South Africa, the rules of the Fund and the Pension Funds Act.

These financial statements have been reported on by the independent auditor, PricewaterhouseCoopers Inc., who was given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Board of Fund believes that all representations made to the independent auditors in the management representation letter during their audit were valid and appropriate. The report of the independent auditors is presented on pages 8 to 10.

**OUTvest Pension Preservation Fund  
SCHEDULE B - Statement of responsibility by the Board of Fund  
for the period ended 30 June 2023**

**Instances of non compliance**

We are not aware of instance of non-compliance with laws and regulations, including the provisions of laws and regulations that determine the reported amounts and disclosures in the financial statements. We however, wish to disclose the following non-compliance with the Rules of the Fund and Notice 3 of 2016 which were subsequently rectified before the Board of the Fund's approval of the financial statements:

**Nature and cause of non-compliance**

The rules of the Fund provide that the Board will consist of 6 members, of which at least 3 should be independent. Notice 3 of 2016 provides that a vacancy on the Board should be filled within 90 days. A quorum is made up of 4 board members, of which at least 50% are independent. Due to the resignation of Paul Myeza on 29 June 2023, a vacancy on the Board arose. As the Sponsor had already commenced the process of selling the OUTvest business, the Sponsor decided not to appoint a replacement Board Member. The intension was to wait for completion of the sale to allow the new Sponsor to make the appropriate appointment to fill the vacancy. However, the sale of the business and regulatory approval has taken longer than anticipated. A quorum was present at all subsequent meetings of the Board at which decisions were taken.

**Impact of non-compliance matter on the Fund**

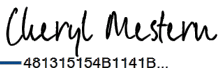
There was no material impact on the Fund or its members.

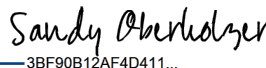
**Corrective course of action taken to resolve non-compliance matter**


The Sponsor appointed Mr Gareth van Deventer to fill the vacant Sponsor appointed Board member position with effect 1 September 2023. The Board has noted this corrective action.

These financial statements:

- were approved by the Board of Fund on ;
- are to the best of the Board member knowledge and belief confirmed to be complete
- fairly represent the net assets of the Fund at 30 June 2023 as well as the results of its activities for the period then ended; and
- are signed on the Board of Fund's behalf by:

DocuSigned by:  
  
481315154B1141B...  
Cheryl Mestern  
Chairperson  
11 December 2023

DocuSigned by:  
  
3BF90B12AF4D411...  
Sandy Oberholzer  
Board member  
11 December 2023

DocuSigned by:  
  
D0C7C4C203C34FE...  
Leslie Pretorius  
Board member  
11 December 2023

**OUTvest Pension Preservation Fund**  
**SCHEDULE C - Statement of responsibility by the Principal Officer**  
**for the period ended 30 June 2023**

I confirm that for the period under review the OUTvest Pension Preservation 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.

Other than the non-compliance reported in the Statement of Responsibility by the Board of Fund, I am 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 by the Board of Fund or the Administrator.

DocuSigned by:  
*Mark de Klerk*  
A0026E9FBB0B48D...  
\_\_\_\_\_  
Mark de Klerk  
Principal Officer  
11 December 2023



## **Schedule D**

### **Independent Auditor's Report**

To the Board of Fund of the OUTvest Pension Preservation Fund

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the financial statements of OUTvest Pension Preservation Fund (the Fund) set out on pages 13 to 18, which comprise the statement of net assets and funds as at 30 June 2023 and the statement of changes in net assets and funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Fund for the year ended 30 June 2023 are prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa.

#### *Basis for Opinion*

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

#### *Emphasis of matter – Financial reporting framework and restriction on use*

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

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090  
Private Bag X36, Sunninghill, 2157, South Africa  
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, [www.pwc.co.za](http://www.pwc.co.za)



### *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 01 July 2022 to 30 June 2023, but does not include the financial statements (schedules F, G and HA) and our auditor's report thereon (schedule D).

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Board of Fund for the Financial Statements*

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Fund.
- Conclude on the appropriateness of the Board of Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

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

#### *Report on Other Legal and Regulatory Requirements*

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

*PricewaterhouseCoopers Inc*

PricewaterhouseCoopers Inc  
Director: JJ Grové  
Registered Auditor  
Johannesburg, South Africa  
15 December 2023

**OUTvest Pension Preservation Fund  
SCHEDULE E - Report of the Board of Fund  
for the period ended 30 June 2023**

**1 Description of the Fund**

**1.1 Type of Fund**

The OUTvest Pension Preservation Fund ("the Fund") is a registered pension preservation Fund (12/8/38213) and is a defined contribution Fund.

**1.2 Benefits**

The Fund will, in accordance with its Rules, provide and/or pay benefits at retirement, ill health or in the case of death to dependants and nominated beneficiary (ies) of members. All benefits are payable in South Africa, in South African rand, via Electronic Fund Transfer (EFT) only to a current, savings or transmission account and will be subject to anti-money laundering checks.

Unclaimed benefits may be placed into an unclaimed benefit Fund.

**1.3 Contributions**

A member's contribution consists of his or her total interest or part thereof transferred to the Fund from the former approved Fund.

**1.4 Rule amendments**

No.	Date approved by Board	Date registered by FSCA	Effective date	Description
6	17 May 2023	20 July 2023	20 July 2023	To correct an error under RULE 2.3.50.2 AND RULE 5.2.5.3

**1.5 Reserve and other accounts**

*Expense reserve*

Interest earned in the Fund's bank account which is not for the benefit of members, shall be credited to an expense account. Expenses payable by the Fund may be debited to the expense account.

**2 Investments**

The Board has worked with their asset consultant to design a series of graduated investment portfolios using four portfolios that aim to cover the vast majority of investment types in the South African and global investment universe, suitable for our members' pre-retirement needs and compliant with applicable regulation.

Each of the investment portfolios are managed as a single unit trust and governed by a single index, or in the case of the money market fund, actively managed. Each retirement goal for a member will consist of one of the four unit trusts rather than a blend of the unit trusts. This aids the simplicity of administration and ensures the main driver of the investment returns, in this case the asset allocation, is identical to all members in the same unit trust.

The four unit trusts are designed to operate as a spectrum of investment return and risk, graduating from low risk and low return (Granate SCI Money Market Fund) to high risk and high return (CoreShares OUTmoderate Index Fund) in four steps. It is for this reason the portfolio construction of the investment portfolios are linked, and the underlying investment types are closely related.

The first portfolio is a money market fund that is actively managed, by Granate Asset Management, a specialist Fixed Income Manager.

**OUTvest Pension Preservation Fund**  
**SCHEDULE E - Report of the Board of Fund**  
**for the period ended 30 June 2023**

The following three portfolios, managed by CoreShares Asset Management, are constructed by following a set of multi-asset indices designed by OUTvest in conjunction with CoreShares and S&P Dow Jones Indices. Each of these indices contain a collection of sub-indices representing different asset types. For example, the Local Equity allocation in the OUTcautious Index is represented by the S&P SA Top 50 Index.

Each of the three multi-asset indices contain similar sub-indices. For example, the OUTcautious, OUTstable and OUTmoderate Index all contain the S&P SA Top 50 Index (the 50 largest listed companies in South Africa) in increasing allocations.

The allocations within the multi-asset indices will drift in line with the performance of the underlying sub-indices and rebalanced twice per year in March and September, as the aim is to minimise transaction costs, which negatively impact performance.

The objective of this portfolio construction approach is to create a low cost investment allocation where the performance and risk characteristics of the portfolios show clear differentiation from one another.

The investments of the Fund is held on its behalf by OUTvest Nominees (Pty) Ltd.

The funds available in the reserve account will be held in the bank account of the Fund.

**3 Membership**

Description	Active members
	Current period
<b>Numbers at the beginning of the period</b>	<b>94</b>
Section 14 transfers in	17
Transfers in	44
Transfers out	(1)
Withdrawals	(3)
Retirements	(1)
Deaths	-
<b>Numbers at the end of the period</b>	<b>150</b>
South African citizen	149
Non-South African citizen	1

**4 Actuarial valuation**

The Fund has been exempted from the provisions of sections 9A and 16 of the Pension Funds Act in South Africa until 30 June 2024. The valuation exemption was granted by the FSCA on 05/07/2022 and the Fund is in compliance with the conditions prescribed.

**5 Subsequent events**

OUTsurance Holdings Limited (OUTsurance), has concluded an agreement with Alexander Forbes Group Holdings Limited (Alexforbes) in November 2023 to acquire 100% of OUTvest, subject to certain conditions precedent which include regulatory approvals. OUTvest is a wholly owned subsidiary of OUTsurance.

The Board notes that Alexforbes, which is listed on the Johannesburg Stock Exchange, has a strong track record in the South African investment landscape. OUTvest is confident that a business of this stature will be a good fit for the OUTvest investment platform to ensure its full potential is realised. Should the necessary regulatory approvals be obtained and commercial conditions precedent be fulfilled, OUTvest and Alexforbes will collaborate to ensure a seamless transition and minimal disruption for members of the OUTvest Pension Preservation Fund.

**6 Significant matters**

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 relating to going concern and using the going concern basis of accounting unless the Board of Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. Based on the Board of Fund's assessment, there is no reason to believe that the Fund is not in a position to continue as a going concern and the financial statements have been prepared on the going concern basis.



**OUTvest Pension Preservation Fund**  
**SCHEDULE F - Statement of net assets and funds**  
**at 30 June 2023**

	Notes	R Current period	R Previous period
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	2	247 684 691	159 153 534
<b>Current assets</b>			
Transfers receivable	3	-	1 718 203
Cash at bank		104 801	8 359
<b>Total assets</b>		<b>247 789 492</b>	<b>160 880 096</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Members' funds</b>			
Members' individual accounts		247 684 691	159 153 534
Amounts to be allocated	8	-	1 718 203
<b>Reserves</b>			
Expense reserve		18 727	8 359
<b>Total funds and reserves</b>		<b>247 703 418</b>	<b>160 880 096</b>
<b>Current liabilities</b>			
Benefits payable	5	86 074	-
<b>Total funds and liabilities</b>		<b>247 789 492</b>	<b>160 880 096</b>



**OUTvest Pension Preservation Fund**  
**SCHEDULE HA - Notes to the Financial Statements**  
**for the period ended 30 June 2023**

**Principle accounting policies**

The following are the principal accounting policies used by the fund. These policies have been applied consistently to all years presented, unless otherwise specifically indicated.

**1 Purpose and basis of preparation of financial statements**

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

**Financial instruments**

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of any other entity. A financial asset or a financial liability is recognised when its contractual arrangements become binding and is derecognised when the contractual rights to the cash flows of the instrument expire or when such rights are transferred in a transaction in which substantially all risks and rewards of ownership of the instrument are transferred.

Financial instruments carried on the statement of net assets and funds include cash and bank balances investments receivables and accounts payable.

Financial instruments are recognised on acquisition using trade date accounting which includes transaction costs. Upon initial recognition financial instruments are designated at fair value through the statement of changes in net assets and Funds as the assets or liabilities are managed, evaluated and reported internally on a fair value basis and/or the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise.

Subsequent to initial recognition these instruments are measured as set out below.

*Investments*

All investments held by the Fund are Collective Investment Schemes which are classified at fair value through the statement of changes in net assets and funds and are measured at fair value. This is the quoted unit values as derived by the collective investment scheme manager with reference to the rules of each particular collective investment scheme multiplied by the number of units.

*Accounts receivable*

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

*Cash and cash equivalents*

Cash and deposits comprise cash in hand deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are measured at fair value.

**Transfers to and from the Fund**

Section 14 and 15B transfers to or from the 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 from the Authority.

Individual transfers (Section 13A(5) transfers) are recognised on the earlier of receipt of the written notice of transfer (Recognition of Transfer) or receipt of the actual transfer value.

All the above transfers are measured at the values as per the section 14 application or the value of the transfer at effective date of transfer adjusted for investment return or late payment interest as guided by the application.

**OUTvest Pension Preservation Fund**  
**SCHEDULE HA - Notes to the Financial Statements**  
**for the period ended 30 June 2023**

**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 year are recognised as a current liability – benefits payable.

**Administration expenses**

Expenses incurred in the administration of retirement Funds are recognised in the statement of changes in net assets and funds in the reporting year to which they relate. In the event that an expense has not been paid at the end of a reporting year the liability will be reflected in the accounts payable note. If the expense was paid in advance or overpayment occurred the applicable amount will be disclosed under the accounts receivable note.

**Investment income***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*

Distribution from collective investment schemes are recognised 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 year in which they arise.

**Amounts to be allocated**

Amounts to be allocated represents transfers in or return received/earned in the Fund but not yet allocated to members or reserves.

**Member individual accounts**

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

**Related parties**

In considering each possible related-party relationship, attention is directed to the substance of the relationship and not merely the legal form. If there have been transactions between related parties the Fund shall disclose the nature of the related party relationship as well as the following information for each related party relationship:

- the amount of the transactions; and
- the amount of outstanding balances.

**2 Investments**

	R	R	R	R
	Local (A)	Foreign (B)	Total current period (A+B)	Total previous period
Collective investment schemes	177 608 327	70 076 364	247 684 691	159 153 534

**3 Transfers from other funds / Transfers receivable**

	R	R	R
	Transfers i.t.o. section 14	Individual transfers	Total
At the beginning of the period	1 200 000	518 203	1 718 203
Transfers approved	21 800 368	40 830 313	62 630 681
Assets transferred	(23 000 368)	(41 348 516)	(64 348 884)
At the end of the period	-	-	-
Transfers approved			62 630 681
Statement of changes in net assets and funds			62 630 681

**OUTvest Pension Preservation Fund**  
**SCHEDULE HA - Notes to the Financial Statements**  
**for the period ended 30 June 2023**

Details of transfers:			
Fund name	Effective date	No. of members	Transfers approved
Allan Gray Pension Preservation Fund	05/06/2023	1	6 191 311
Personal Portfolio Preservation Pension Fund	20/06/2023	1	4 590 127
PSG Wealth Preservation Pension Fund	17/02/2023	1	3 160 105
Old Mutual Wealth Preservation Pension Fund	15/05/2023	1	2 499 675
The Preservation Pension Fund	22/09/2022	1	2 222 550
Allan Gray Pension Preservation Fund	22/05/2023	1	1 049 814
Lifestyle Retirement Preserver Pension Fund	10/10/2022	1	902 207
Lifestyle Retirement Preserver Pension Fund	25/07/2022	1	564 924
Lifestyle Retirement Preserver Pension Fund	29/07/2022	1	265 309
Lifestyle Retirement Preserver Pension Fund	23/11/2022	1	131 739
Other section 14 transfers in		7	222 607
Individual transfers		44	40 830 313
		<u>61</u>	<u>62 630 681</u>

**4 Transfers to other funds**

	R	R	R
	Transfers i.t.o. section 14	Individual transfers	Total
At the beginning of the period	-	-	-
Transfers approved	303 770	-	303 770
Assets transferred	(303 770)	-	(303 770)
At the end of the period	-	-	-
Transfers approved			<u>303 770</u>
Statement of changes in net assets and funds			<u>303 770</u>

Details of transfers:			
Fund name	Effective date	No. of members	Transfers approved
OUTvest Retirement Annuity Fund	02/05/2023	1	303 770
		<u>1</u>	<u>303 770</u>

**5 Benefits**

	R	R	R	R	R
	At the beginning of the period	Benefits for current period	Return allocated	Payments	At the end of the period
Withdrawal benefits	-	2 777 343	-	(2 691 269)	86 074
Normal retirement	-	2 142 146	-	(2 142 146)	-
Total	-	<u>4 919 489</u>	-	<u>(4 833 415)</u>	<u>86 074</u>
Benefits for current period					<u>4 919 489</u>
Statement of changes in net assets and funds					<u>4 919 489</u>

**6 Net investment income**

	R	R
	Current period	Previous period
Income from collective investment schemes distributions	8 795 109	6 131 262
Interest on cash in bank	10 368	3 163
Adjustment to fair value	21 553 009	(2 789 508)
	<u>30 358 486</u>	<u>3 344 917</u>

**7 Administration expenses**

	R	R
	Current period	Previous period
Administration fees	623 728	399 965
Advice fees	318 858	168 206
	<u>942 586</u>	<u>568 171</u>

**8 Amounts to be allocated**

	R	R
	Current period	Previous period
S14 Transfers receivable	-	1 200 000
Individual transfers receivable	-	518 203
	<u>-</u>	<u>1 718 203</u>

**OUTvest Pension Preservation Fund**  
**SCHEDULE HA - Notes to the Financial Statements**  
**for the period ended 30 June 2023**

**9 Risk management policies**

The Board of Fund has overall responsibility for the establishment and oversight of the fund's risk management policies. The fund's risk management policies are established to identify and analyse the risks faced by the fund to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the fund's activities.

*Solvency risk*

Solvency risk is the risk that the investment returns on assets will not be sufficient to meet the fund's contractual obligations to members. Continuous monitoring by the Board takes place to ensure that appropriate assets are held where the fund's obligation to members is dependent upon the performance of specific portfolio assets and that a suitable match of assets exists for all other liabilities.

*Credit risk*

Credit risk is the risk that a counter-party to a financial instrument will fail to discharge an obligation and cause the fund to incur a financial loss. The Board monitors receivable balances on an on-going basis with the result that the fund's exposure to bad debts is not significant. An appropriate level of provision is maintained.

*Legal risk*

Legal risk is the risk that the fund will be exposed to contractual obligations which have not been provided for. Legal representatives of the fund monitor the drafting of contracts to ensure that rights and obligations of all parties are clearly set out.

*Liquidity risk*

Liquidity risk is the risk that the fund will encounter difficulty in raising funds to meet commitments associated with financial instruments. The fund's liabilities are backed by appropriate assets and it has significant liquid resources.

*Currency risk*

Currency risk is the risk that the value of an instrument may decrease in rands due to changes in foreign exchange rates. The Fund's exposure to currency risk is mainly in respect of foreign investments made on behalf of members of the Fund for the purpose of seeking desirable international diversification of investments. The Board of Fund ensures that the foreign investments of the Fund are monitored and limits it to 45% of total assets. Where the limit of 45% is exceeded action plans are implemented to rectify the situation.

*Market risk*

Market risk is the risk that adverse market fluctuations may reduce investment returns and benefits payable to members. Market risk is managed by using a well diversified portfolio of assets. Assets are diversified across different asset classes and across different investment instruments. Investments are managed with the aim of maximising the Fund's returns within the mandate provided and measured against benchmarks while limiting risk to acceptable levels within the framework of statutory requirements. The Board of Fund ensures that continuous monitoring takes place to ensure that appropriate assets are held where the liabilities are dependent upon the performance of specific portfolios of assets and that a suitable match of assets exists for all non-market related liabilities.

*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 Statement and actioned accordingly by the appointed asset managers. The Investment Manager reports on an annual basis on how the risk was identified and managed. The investment strategy of the Fund for the investment in equities and other market price related instruments complies with the Regulation 28 limit for the investment in equities and other market price related instruments.

*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. The Investment Manager reports on the steps taken to identify and manage the risk on an annual basis.

**10 Related party transactions**

The following transactions between the Sponsor of the fund (OUTvest (Pty) Ltd) and the fund occurred during the period:

- The fund has made payments to OUTvest (Pty) Ltd for administration fees amounting to R623 728 (2022: R399 965)
- An amount of R52 462 was paid as advice fees to OUTsurance Life Insurance Company Ltd.
- The Sponsor paid expenses on behalf the Fund as provided for in the Rules consisting, among others, of audit fees, insurance, levies, and trustees and officers fees.

The Sponsor has created a special fee model known as the ONEfee which aims to create a single point where fees are deducted from member values for services provided to the Fund and its members. The result is that members do not pay separately for administration, investment management, governance or any other charges. The expenses for each service provided to members is paid for by the Sponsor and recovered from the ONEfee. The benefit for members is that the Sponsor is responsible for cost control on behalf of the members and providing a low, clear and simple fee arrangement for members. The implementation and approval of the ONEfee arrangement is subject to the approval of the Board of Fund. The Board of Fund exercised oversight over the expenses paid from the ONEfee.

**OUTvest Pension Preservation Fund**  
**SCHEDULE HB - Report of the valuator**

**Mr Mark Saville de Klerk**  
The Principal Officer  
OUTvest Pension Preservation Fund  
PO Box 184  
**FLORIDA HILLS**  
1716

Dear Sir

**OUTVEST PENSION PRESERVATION FUND (12/8/38213): APPLICATION FOR EXEMPTION FROM VALUATION AS AT 30 JUNE 2021**

1. I refer to the above-mentioned fund's application for valuation exemption received on 6 June 2022.
2. In terms of section 2(5)(a) of the Pension Funds Act, 1956 ('the PFA') read with section 281 of the Financial Sector Regulation Act, 2017, the **OUTVEST PENSION PRESERVATION FUND** is hereby exempt from the provisions of sections 9A and 16 of the PFA for the statutory actuarial valuation report as at **30 June 2021**.
3. The fund must undergo a statutory actuarial valuation as at **30 June 2024**, which must be submitted to the Financial Sector Conduct Authority by **30 June 2025** (although the fund may apply for a further exemption).
4. Please ensure that the fund is made aware of this correspondence.

Yours faithfully



**OB Makhubela**  
**Divisional Executive: Retirement Funds Supervision**

**Case: 553016**

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**Executive Committee:**

Commissioner: U. Kamlana | Deputy Commissioners: A. Ludin | K. Gibson | F. Badat



## **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 OUTVEST PENSION PRESERVATION FUND ("THE FUND") FOR THE YEAR ENDED 30 JUNE 2023**

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

Our report on the Subject Matter is provided in accordance with Section 15(1) of the Pension Funds Act, No. 24 of 1956 of South Africa (the "Act"), solely for the purpose of assisting the Financial Sector Conduct Authority (the "Authority") and Board of Fund in evaluating whether there are any instances of non-compliance with the requirements of the specified sections of the Act, Regulations of the Act, 1962, and the registered Rules of the Fund during the year ended 30 June 2023, and may not be suitable for another purpose. This report is intended solely for the Board of Fund and the Authority and should not be used by, or distributed to, any other parties.

#### **Responsibilities of the Board of Fund and the Authority**

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

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

#### **Auditor's Responsibilities**

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

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

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

*PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090  
Private Bag X36, Sunninghill, 2157, South Africa  
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za*

Chief Executive Officer: L S Machaba  
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.  
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.





## **Professional Ethics and Quality Management**

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

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

## **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 2023.

Unless otherwise indicated, all balances, lists, schedules and other relevant documents referred to in the table below relate to the accounts/balances reflected in the audited annual financial statements of the Fund for the year ended 30 June 2023.

### **Sample size and selection criteria:**

*Unless otherwise stated in the procedure, the sample should be selected as follows:*

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



	Procedures	Findings								
	<b>Statement of Net Assets and Funds</b>									
<b>1</b>	<b>Investments</b>									
1.1	Obtain a list of all investments as at 30 June 2023 from the Fund administrator and agree the total investment balance per the list to the amount reflected in the Statement of Net Assets and Funds per the audited annual financial statements as at 30 June 2023 and note any differences.	We obtained a list of investments as at 30 June 2023 from the Fund administrator and agreed the total investment balance per the list to the amount reflected in the Statement of Net Assets and Funds per the annual financial statements as at 30 June 2023.								
1.1.1	<p>a) Obtain external confirmations of all investment balances per the list of investments obtained in procedure 1.1, from the nominee company as at 30 June 2023. 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 nominee company as at 30 June 2023</p> <p>b) Not applicable. No external confirmations are in a foreign currency.</p> <p>c) For external confirmations that are in ZAR, we agreed the values of the investments per the external confirmations obtained to the investment balances as per the list of investments obtained in procedure 1.1.</p> <table border="1" data-bbox="895 1413 1520 1861"> <thead> <tr> <th></th> <th>R</th> </tr> </thead> <tbody> <tr> <td>Total as per the list of investment balances</td> <td>247,684,691</td> </tr> <tr> <td>Total as per the external confirmations obtained from the nominee company.</td> <td>247,684,691</td> </tr> <tr> <td>Difference</td> <td>0</td> </tr> </tbody> </table>		R	Total as per the list of investment balances	247,684,691	Total as per the external confirmations obtained from the nominee company.	247,684,691	Difference	0
	R									
Total as per the list of investment balances	247,684,691									
Total as per the external confirmations obtained from the nominee company.	247,684,691									
Difference	0									
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	We inspected the list obtained in procedure 1.1 or inquired with the Fund administrator and did not note								



	Procedures	Findings
	investments made during the year ended 30 June 2023. Select a sample of 10 of the largest value new investments (if there are less than 10 new investments, select all) from the list of investments obtained in procedure 1.1, and perform the following procedures:	any new investments made during the year ended 30 June 2023.
1.1.2.1	Inquire from the Principal Officer the date on which the investment policy statement of the Fund was last reviewed/approved by the Board of Fund. Note the date.	Not applicable. No new investments noted during the year ended 30 June 2023.
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 which are within the scope of the investment policy statement.	Not applicable. No new investments noted during the year ended 30 June 2023.
1.1.2.3	Inspect the investment note 2 of the audited annual financial statements for the year ended 30 June 2023 and document the categories of investments that the Fund has invested in.	Not applicable. No new investments noted during the year ended 30 June 2023.
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 instances where the investment categories per the audited annual financial statements do not agree to the investment policy statement.	Not applicable. No new investments noted during the year ended 30 June 2023.
1.2.	Calculate the total value of direct investments held by the Fund in the participating employer as reflected in the investment note 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. The fund has no participating employer.
1.2.1	Where the calculated percentage in procedure 1.2 exceeds 5%, obtain from the Principal Officer the exemption letter received by the Fund from the Authority for these investments.	Not applicable. The fund has no participating employer.



	Procedures	Findings
	Note the date of the exemption letter; alternatively, note if no exemption letter could be obtained.	
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 2023 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 that have been granted to, and investments that 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 borrower.</p>	<p>We inquired from the Principal Officer about the matters specified below as they relate to the year ended 30 June 2023. 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; 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>
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 2023 and document the responses obtained:</p> <ul style="list-style-type: none"> <li>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</li> </ul>	<p>We inquired from the Principal Officer about the matters specified below as they relate to the year ended 30 June 2023. Based on our inquiries performed, the following responses were obtained:</p> <ul style="list-style-type: none"> <li>a. The Fund has not acquired or held any shares or financial interest in another entity which results in the exercising of control.</li> <li>b. Not applicable</li> </ul>



	Procedures	Findings
	b. The approval referred to in paragraph (a) was given, subject to any conditions, and note these conditions.	

	Procedures	Findings
<b>2</b>	<b>Member individual accounts</b>	
2.1	Obtain a list of the member individual accounts for members (including contributing, paid-up and deferred members) as at 30 June 2023 and as at 1 July 2022 from the Fund administrator, and perform procedure 2.3.	We obtained a list of the member individual accounts for members as at 30 June 2023 and as at 30 June 2023 and as at 1 July 2022 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 at 30 June 2023 obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as at 30 June 2023 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 2023 obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as at 30 June 2023 from the Fund administrator.
2.3	Select a sample of the lesser of 50 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:	We selected a sample of 15 members from the list of members at the end of the year obtained in procedure 2.1 and performed the following procedures:
2.4	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.
2.4.1	<b>If the fund is a unitised fund, as noted in procedure 2.4</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:
2.4.1.1	Recalculate the units allocated to the member as per the fund administration system, by dividing the lump sum transfer received (for preservation funds, that is the lump sum	We recalculated the units allocated to the member by dividing the lump sum transfer received by the unit price, using both inputs as per the administration system on the dates that the lump sum transfers



	Procedures	Findings
	transfer amount received) by the unit price, using both inputs as per the administration system on the dates that the lump sum transfers received were unitised. Agree the recalculated units to the units allocated to the member as per the fund administration system. Note any differences.	received were unitised. The recalculated units agreed to the units allocated to the member as per the fund administration system.  No exceptions were noted
2.4.1.2	Obtain an external confirmation of the unit prices from FinSwitch throughout the year ended 30 June 2023. Note any exceptions of confirmations not obtained.	We obtained an external confirmation of the unit prices from FinSwitch throughout the year ended 30 June 2023.  No exceptions were noted as all confirmations were obtained .
2.4.1.3	Agree the unit price per the administration system in 2.4.1.1 to the unit price per the external confirmation in 2.4.1.2, and note any differences.	We agreed the unit price per the administration system in 2.4.1.1 to the unit price per the external confirmation in 2.4.1.2  No exceptions noted.
2.4.1.4	Recalculate the member's fund credit as at 30 June 2023 by multiplying the number of units with the unit price, using both inputs as per the administration system. Agree the recalculated amount to the member's fund credit per the listing obtained in procedure 2.1, and note any differences.	We recalculated the member's fund credit as at 30 June 2023 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.
2.4.1.5	Agree the 30 June 2023 unit price as per the administration system used in procedure 2.4.1.1 to the unit price obtained from FinSwitch in procedure 2.4.1.2, and note any differences.	The 30 June 2023 unit price as per the administration system used in procedure 2.4.1.1 agreed to the unit price obtained from FinSwitch in procedure 2.4.1.2.  No exceptions were noted
2.4.2	<b>If the fund is a non-unitised fund as noted in procedure 2.4</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.
2.4.2.1	Obtain the resolution of the Board of Fund or the rules of the Fund or the approved recommendation by the investment consultant / asset manager / fund valuator that indicates the rate of investment returns to	Not applicable. The Fund does not offer non-unitised investment products.



	Procedures	Findings
	be allocated to members from the Fund administrator.	
2.4.2.2	Inquire from the Fund administrator about how the investment returns as per resolution of the Board of Fund or the rules of the Fund or the approved recommendation by the investment consultant / asset manager / fund valuator obtained in procedure 2.4.2.1 are allocated to the members of the Fund.	Not applicable. The Fund does not offer non-unitised investment products.
2.4.2.3	<p>Recalculate the member's closing fund credit as at 30 June 2023 by:</p> <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 and/or lump sum transfer received (for preservation funds, that is the lump sum transfer amount received) allocated as per the administration system; and</li> <li>• Adding/subtracting the returns allocated to the member as calculated using the basis provided by the Fund administrator in procedure 2.4.2.2.</li> </ul> <p>Agree the recalculated amount to the member's fund credit per the closing listing obtained in procedure 2.1. and note any differences.</p>	Not applicable. The Fund does not offer non-unitised investment products.
2.5	<p><b>Switches</b></p> <p>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 50 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:</p>	No members switched investment portfolios during the year.



	Procedures	Findings
2.5.1	<p>Obtain the service level agreement between the administrator and the Fund from the Fund administrator and note the following terms:</p> <ul style="list-style-type: none"> <li>• Days indicated to process a member-elected switch.</li> <li>• Timing to effect a lifestage switch.</li> <li>• Fees deductible from the member individual accounts to process a switch.</li> </ul>	Not applicable. No members switched investment portfolios during the year.
2.5.2	<p><b>Member-elected switches</b></p> <p>For member-elected switches included in the sample selected in procedure 2.5, obtain the member's instruction to switch investment portfolios from the Fund administrator, and perform the following procedures:</p>	Not applicable. No members switched investment portfolios during the year.
2.5.2.1	<p>Inspect the member's instruction for details of the required switch and note the following details per the instruction:</p> <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</li> <li>• Investment portfolio to be switched into.</li> </ul>	Not applicable. No members switched investment portfolios during the year.
2.5.2.2	<p>Inspect the member's fund credit transactions on the administration system obtained from the Fund administrator and note the following details about the switch:</p> <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. No members switched investment portfolios during the year.
2.5.2.3	<p>Agree the effective date of the switch and the investment portfolios switched into, as noted in procedure 2.5.2.1, to the effective date of the switch and the investment portfolios switched into noted in procedure 2.5.2.2, and</p>	Not applicable. No members switched investment portfolios during the year.





	Procedures	Findings
	note any exceptions with regard to the date of switch and/or when the portfolios switched.	
2.5.2.4	<p>Calculate the number of days taken to process the switch using the following:</p> <ul style="list-style-type: none"> <li>• Date of receipt of the member's instruction by the Fund administrator noted in procedure 2.5.2.1.</li> <li>• Date when the switch was processed by the Fund administrator noted in procedure 2.5.2.2.</li> </ul>	Not applicable. No members switched investment portfolios during the year.
2.5.2.5	<p>Agree the number of days taken to process the switch per procedure 2.5.2.4 with the number of days in terms per the service level agreement between the administrator and the Fund in procedure 2.5.1.</p> <p>Note any differences in timing where the number of days taken to process the switch is greater than the terms per the service level agreement between the administrator and the Fund.</p>	Not applicable. No members switched investment portfolios during the year.
2.5.3	<p><b>Lifestage switches</b></p> <p>Obtain the Fund's lifestage investment strategy from the Fund administrator.</p>	<p><b>Lifestage switches</b></p> <p>Not applicable, the fund does not offer a lifestage investment strategy.</p>
2.5.3.1	For lifestage switches included in the sample selected in procedure 2.5, perform the following procedures:	Not applicable, the fund does not offer a lifestage investment strategy.
2.5.3.2	<p>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:</p> <ul style="list-style-type: none"> <li>• Date when the lifestage switch was processed by the Fund administrator; and</li> <li>• Investment portfolios switched into.</li> </ul>	Not applicable, the fund does not offer a lifestage investment strategy.
2.5.3.3	Agree the investment portfolios switched into and noted in procedure 2.5.3.2 to the Fund's	Not applicable, the fund does not offer a lifestage investment strategy.



	Procedures	Findings
	lifestage investment strategy obtained in procedure 2.5.3.	
2.5.3.4	Agree the timing of the lifestage switch per 2.5.3.2 with the terms per the service level agreement between the administrator and the Fund in 2.5.1.  Note any difference in timing.	Not applicable, the fund does not offer a lifestage investment strategy.
2.5.4.	For all switches selected in procedure 2.5, inspect the member's record on the administration system for fees deducted for switches, and agree the fees deducted to the fee due in terms of the service level agreement (obtained in procedure 2.5.1). Note any differences.	Not applicable, as there were no switches during the year.
2.6	Obtain the Asset Liability Match ("ALM") reconciliation per investment portfolio as at 30 June 2023 from the Fund administrator, and perform the following procedures:	We obtained the ALM reconciliation per investment portfolio as at 30 June 2023 from the Fund administrator, and performed the following procedures:
2.6.1	Obtain a reconciliation of the total investment balance per investment portfolio as reflected on the ALM reconciliation to the total balance per the list of investments obtained in procedure 1.1 from the Fund administrator. Note any reconciling items.	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.  No reconciling items were noted.
2.6.2	Obtain a reconciliation of the total member individual accounts value per investment portfolio as reflected on the ALM reconciliation to the total member individual accounts value as per the listing obtained in procedure 2.1. from the Fund administrator. Note any reconciling items.	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.
2.6.3	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>Surplus apportionment in terms of Section 15C (this will include reserve account distributions)</b>	



	<b>Procedures</b>	<b>Findings</b>
3.1	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. The fund is valuation exempt.
3.1.1	Obtain the actuarial valuation report of the Fund from the Fund administrator and inspect the valuation report for a Section 15C surplus apportionment. If applicable, note the surplus apportionment amount/value.	Not applicable. The fund is valuation exempt.
3.1.2	If a surplus apportionment was recommended per the actuarial valuation report in procedure 3.1.1, obtain the minutes of meetings of the Board of Fund from the Fund administrator and inspect for the approval of the Section 15C surplus.	Not applicable. The fund is valuation exempt.
3.2	<b>Surplus apportionment allocation</b> Obtain a list of approved surplus allocations to active and/or former members and/or pensioners in the current year noted in procedure 3.1.1, from the Fund administrator, and perform the following procedures:	Not applicable. No surplus allocations to active and/or former members and/or pensioners in the current year were noted in procedure 3.1.1.
3.2.1	<b>Active members</b> Select a sample of the lesser of 50 or 10% of the number of active members to whom surplus has been allocated in the current year per the approved surplus apportionment listing obtained in procedure 3.2 (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 3.2.
3.2.1.1	Inspect the listing for the date of allocations to active members in the current year and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.	Not applicable. No surplus allocations to active members in the current year were noted in procedure 3.2.



	<b>Procedures</b>	<b>Findings</b>
3.2.1.2	Agree the surplus amount allocated as per the listing (including investment return) in the current year per member to the allocation on the member records per the administration system, and note any differences.	Not applicable. No surplus allocations to active members in the current year were noted in procedure 3.2.
3.2.2	<p><b>Former members and pensioners allocations</b></p> <p>Select a sample of the lesser of 50 or 10% of the number of former members and/or pensioners to whom surplus has been allocated in the current year per the approved surplus apportionment listing obtained in procedure 3.2 (selected based on the selection criteria provided above), and perform the following procedures:</p>	Not applicable. No surplus allocations to former members and/or pensioners in the current year were noted in procedure 3.2.
3.2.2.1	Inspect the listing for the date of allocations to former members and pensioners in the current year and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.	Not applicable. No surplus allocations made to former members/pensioners in the current year were noted in procedure 3.2.
3.2.2.2	Agree the surplus amount allocated (including investment return) in the current year per former member and/or pensioner to the allocation on the member records per the administration system, and note any differences.	Not applicable. No surplus allocations made to former members and/or pensioners in the current year were noted in procedure 3.2.
3.3	<p><b>Surplus apportionment payments</b></p> <p>Obtain a list of all surplus apportionment payments made to members during the year from the Fund administrator and select a sample of the lesser of 50 or 10% of the number of payments (selected based on the selection criteria provided above), and perform the following procedures:</p>	Not applicable. No surplus apportionment payments were made to members during the year.
3.3.1	Agree the amount paid to the member as per the list of surplus apportionment payments obtained in procedure 3.3 to the member's	Not applicable. No surplus apportionment payments were made to members during the year.



	<b>Procedures</b>	<b>Findings</b>
	record on the administration system, and note any differences.	
3.3.2	Obtain the payment authorisation from the Fund administrator and agree the amount authorised to the amount paid as per the list of surplus apportionment payments obtained in procedure 3.3. Note any differences.	Not applicable. No surplus apportionment payments were made to members during the year.
<b>4</b>	<b>Reserves</b>	
4.1	Obtain a list of reserves and other related accounts (e.g. pensioner accounts) and the movements (including debit and credit transactions) per the Statement of changes in net assets and funds 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 Statement of changes in net assets and funds to the audited annual financial statements from the Fund administrator, and performed the following procedures:
4.2	Obtain the registered rules of the Fund from the Fund administrator.	We obtained the registered rules of the Fund from the Fund administrator.
4.3.	Inspect the registered rules of the Fund obtained in procedure 4.2 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 5.4.1 and 5.2.2 of the registered rules.	We inspected the registered rules of the Fund obtained in procedure 4.2 and noted reserve and other related accounts and the debit and credit transactions allowed in the reserve and other related accounts listed in rule 5.4.1 and 5.2.2 of the registered rules.
4.3.1	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 4.1 above, to the categories of reserves and other related accounts that are permitted as noted in procedure 4.3. 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 4.1 above, to the categories of reserve and other related accounts permitted as noted in procedure 4.3 and noted no exceptions.
4.3.2	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 4.1 above, to the categories of transactions that are permitted to be allocated to the reserves and other	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 4.1 above, to the categories of transactions that are permitted to be allocated to reserves and other related



	<b>Procedures</b>	<b>Findings</b>
	related accounts as noted in procedure 4.3. Note any exceptions.	accounts as noted in procedure 4.3 and noted no exceptions.
<b>5</b>	<b>Guarantees</b>	
5.1	<p><b>Housing loan guarantees</b></p> <p>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 4.2 for the maximum allowable percentage of member individual accounts as allowed in terms of the registered rules and/or the loan agreement, and note the percentage.</p>	Not applicable. The Fund does not grant housing loan guarantees to members of the Fund in terms of Section 19(5) of the Act.
5.2	Obtain a list of all housing loan guarantee balances granted to members from the loan provider as at 30 June 2023 from the Fund administrator, and select a sample of the lesser of 50 or 10% of the number of housing loan guarantees (selected based on the selection criteria provided above), and perform the following procedures:	Not applicable. The Fund does not grant housing loan guarantees to its members.
5.2.1	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. The Fund does not grant housing loan guarantees to its members.
5.2.2	Divide the loan amount granted, as noted on the listing in 5.2. 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 5.1. Note any differences.	Not applicable. The Fund does not grant housing loan guarantees to its members.
	<b>Statement of Changes in Net Assets and Funds</b>	
<b>6</b>	<b>Contributions – not applicable for preservation funds</b>	
6.1	Obtain a list of contributing members' contributions (per month) for the period/year on the fund administration system, from the Fund administrator (including the investment portfolio(s) selected by the member), that reconcile to the contributions note of the	Not applicable as this is a preservation fund.



	Procedures	Findings
	audited annual financial statements, and select a sample of the lesser of 50 or 10% of the number of contributing members (selected based on the selection criteria provided above), and for each member selected perform the following procedures for each of the three months selected under procedure 2.3:	
6.2	Agree the total amount of contributions per the list above to the general ledger account and note any differences.	Not applicable as this is a preservation fund.
6.3	Inspect the policy obtained from the Fund administrator and agree the contributions amount as per the listing obtained in procedure 6.1 to the contributions amount noted on the policy/new entrant certificate. Note any differences.	Not applicable as this is a preservation fund.
6.4	Obtain a copy of the member's application form and/or voice recording, detailing the contributions amount and investment portfolio(s) selected, from the Fund administrator and perform the following procedures: <ul style="list-style-type: none"> <li>• Agree the contribution amount per the copy of the member's application form and/or voice recording to the contribution amount reflected on the listing obtained in 6.1 and note any differences.</li> <li>• Agree the investment portfolio(s) per the copy of the member's application form and/or voice recording to the investment portfolio(s) reflected on the listing obtained in 6.1 and note any differences.</li> </ul>	Not applicable as this is a preservation fund.
6.5	For the sample of members' contributions (per month) selected in 6.1 above, obtain the bank statements from the Fund administrator and inspect the bank statements for a	Not applicable as this is a preservation fund.



	<b>Procedures</b>	<b>Findings</b>
	description of or identification of the bank where the contributions were deposited, and perform the following procedure:	
6.5.1	Agree the total contribution amount obtained in procedure 6.4 to the total amount reflected on the bank statement obtained in procedure 6.5, and note any differences.	Not applicable as this is a preservation fund.
<b>7.</b>	<b>Benefits</b>	
7.1	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 2023 from the Fund administrator, and perform the following procedure:	We obtained a list from the administration system of lump sum benefits per exit type reflected as expenses in the Fund's Statement of Changes in Net Assets and Funds for 30 June 2023 from the Fund administrator, and performed the following procedure:
7.1.1	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.
7.2	Select a sample of the lesser of 50 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 obtained in 7.1. Obtain the member statements from the administration system from the Fund administrator, and perform the following procedures on the sample selected:	From the list obtained in 7.1, we selected a sample of 1 withdrawal benefit, pro-rated on the number of exits.  We obtained the member statements from the administration system from the Fund administrator, and performed the following procedures on the sample selected:
7.2.1	For each selected benefit compare the following fields: <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> to the administration system, signed member exit form and SARS Tax Directives	We compared the following fields for each benefit selected to the administration system, signed member exit form and SARS Tax Directives. Compared in accordance with the procedure requirement for the following fields: <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>





	<b>Procedures</b>	<b>Findings</b>
	<p>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 noted no differences.</p> <p><b>Exit date:</b></p> <p>The exit date as reflected on the member's withdrawal form obtained from the Fund administrator agrees to the exit date reflected 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 and agreed to the tax amount deducted as reflected on the administration system.</p>
7.2.2	<p><b>Retirement annuity funds</b></p> <p><b>For members who were active during the period/year ended,</b> perform the following procedures:</p> <p>i. Obtain the opening fund credit amount as at the beginning of the period/year from the member record on the administration system from the Fund administrator and perform procedure iii.</p> <p>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 7.2.1). Note any exceptions.</p> <p>iii. Obtain the bank statements reflecting the benefit payment(s) from the Fund administrator and agree the net benefit amount(s) as per procedure 7.2.1 to the bank statements, and note any differences.</p>	<p><b>Retirement annuity funds</b></p> <p>Not applicable as this is a pension preservation fund.</p> <p><b>Preservation funds</b></p> <p><b>For members who were active,</b> we performed the following procedures:</p> <p>i. We obtained the bank statements reflecting the benefit payment from the Fund administrator. The net benefit amount as per procedure 7.2.1 agreed to the bank statements.</p> <p>ii. Not applicable, as no differences were noted in i.</p> <p><b>For members who were paid up and/or deferred,</b> we performed the following procedures:</p> <p>i. Not applicable, no paid up/deferred members included in sample.</p> <p>ii. Not applicable, no paid up/deferred members included in sample.</p> <p>iii. Not applicable, no paid up/deferred members included in sample.</p>



	Procedures	Findings
	<p>iv. Inquire with the Fund administrator about the nature of any differences noted in iii and note the responses.</p> <p><b>Preservation funds</b></p> <p><b>For members who were active</b>, perform the following procedures:</p> <p>i. Obtain the bank statements reflecting the benefit payment(s) from the Fund administrator and agree the net benefit amount(s) as per procedure 7.2.1 to the bank statements, and note any differences.</p> <p>ii. Inquire with the Fund administrator about the nature of any differences noted in i and note the responses provided (e.g. interest where applicable).</p> <p><b>For members who were paid up and/or deferred</b>, perform the following procedures:</p> <p>i. Obtain the opening fund credit amount as at the beginning of the period/year from the member record on the administration system.</p> <p>ii. Inspect the member record on the administration system to note whether interest was added, for the period up to the date of exit (as per 7.2.1). Note any exceptions.</p> <p>iii. Obtain the bank statements reflecting the benefit payment(s) from the Fund administrator and agree the net benefit amount(s) as per procedure 7.2.1 to the bank statements, and note any differences.</p> <p>iv. Inquire with the Fund administrator about the nature of any differences noted in iii and note the responses provided (e.g. interest where applicable).</p>	<p>iv. Not applicable, no paid up/deferred members included in sample</p>



	<b>Procedures</b>	<b>Findings</b>
7.2.3	In cases where a fund has an investment reserve account and the member was due a surplus amount as per the surplus account listing noted in 3.2, 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 an investment reserve account.
7.2.4	<p><b>For preservation funds</b></p> <p>From the sample selected in 7.2, determine if the exit related to a withdrawal prior to the retirement age, being 55 years, and perform the following procedures:</p> <ul style="list-style-type: none"> <li>Inspect the member record on the administration system to note whether the withdrawal prior to the retirement age was the first withdrawal for the member, in line with restrictions on withdrawals as set out in the Income Tax Act.</li> <li>Inspect the member record on the administration system to confirm that the member record was updated for the reduction in service, the reduction in benefit and appropriately flagged as having received the one withdrawal. Note any exceptions.</li> </ul>	<p>From the sample selected in 7.2, we determined if the exit related to a withdrawal prior to the retirement age, being 55 years, and performed the following procedures:</p> <ul style="list-style-type: none"> <li>We inspected the member record on the administration system and noted that the withdrawal prior to the retirement age was the first withdrawal for the member, in line with the restrictions on withdrawals as set out in the Income Tax Act.</li> <li>We inspected the member record on the administration system and confirmed that the member record was updated for the reduction in benefit. The member record was not flagged as it was a full withdrawal.</li> </ul>
7.3	Obtain a list of current and unclaimed benefits payable, as disclosed in the Statement of Net Assets and Funds, as at 30 June 2023 from the Fund administrator, and select a sample of the lesser of 50 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 2023 from the Fund administrator, selected a sample 1 of the total number of benefits from the list, and performed the following procedure:
7.3.1	For the sample selected above (excluding death benefits), calculate the number of months that benefit has been unpaid, using the date of exit as the starting month.	For the sample selected above, we calculated the number of months that benefit has been unpaid, using the date of exit as the starting month:



	<b>Procedures</b>	<b>Findings</b>
	<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>No exceptions were noted where the benefits were not classified in the correct category.</p>
7.3.2	<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>Not applicable, no death benefits included in payables.</p>
<b>8.</b>	<b>Transfers</b>	
8.1	<p>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 3 and note 4 to the audited annual financial statements. Note any differences.</p>	<p>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 3 and note 4 to the audited annual financial statements.</p>
8.2	<p>From the list of Section 14 transfers to and from the Fund throughout the year, select a sample of the lesser of 50 or 10% of the number of transfers in and the lesser of 50 or 10% of the number of transfers out (selected based on the selection criteria provided above), and perform the following procedures:</p>	<p>From the list of Section 14 transfers to and from the Fund throughout the year, we selected a sample of 2 of the number of transfers in and 1 of the number of transfers out, and performed the following procedures:</p>



	Procedures	Findings															
8.2.1	<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>The following differences were noted:</p> <p><u>Transfer in</u></p> <table border="1" data-bbox="884 1070 1522 1317"> <thead> <tr> <th></th> <th>Entry date per entry form</th> <th>Entry date per administration system</th> </tr> </thead> <tbody> <tr> <td>Sample 1</td> <td>01 Sep 2023</td> <td>22 Sep 2023</td> </tr> <tr> <td>Sample 2</td> <td>25 May 2023</td> <td>05 Jun 2023</td> </tr> </tbody> </table> <p><u>Transfer out</u></p> <table border="1" data-bbox="884 1429 1522 1585"> <thead> <tr> <th></th> <th>Exit date per exit form</th> <th>Exit date per administration system</th> </tr> </thead> <tbody> <tr> <td>Sample 1</td> <td>24 April 2023</td> <td>02 May 2023</td> </tr> </tbody> </table> <p>The effective date of the section 14(8) transfers in and out per the Form H, did not agree to the effective date per the listing. The effective date per the listing is the “Transaction date” for the investment of the transfer following receipt (transfers in) or settlement date (transfers out).</p>		Entry date per entry form	Entry date per administration system	Sample 1	01 Sep 2023	22 Sep 2023	Sample 2	25 May 2023	05 Jun 2023		Exit date per exit form	Exit date per administration system	Sample 1	24 April 2023	02 May 2023
	Entry date per entry form	Entry date per administration system															
Sample 1	01 Sep 2023	22 Sep 2023															
Sample 2	25 May 2023	05 Jun 2023															
	Exit date per exit form	Exit date per administration system															
Sample 1	24 April 2023	02 May 2023															



	<b>Procedures</b>	<b>Findings</b>
8.2.2	<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 effective date and the day of the receipt/payment as per the bank statement and the receipts/payments were made within the required periods.</p> <p>No exceptions noted</p>
8.2.3	<p>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.</p>	<p>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.</p>
8.3	<p>From the list of Section 14 transfers from other funds as per procedure 8.2, select a sample of the lesser of 50 or 10% of the number of members (selected based on the selection criteria provided above), and perform the following procedures:</p>	<p>From the list of Section 14 transfers from other funds as per procedure 10.2, we selected a sample of 2 of the number of members, and performed the following procedures:</p>
8.3.1	<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</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 did not agree to the units per the administration system as the</p>



	<b>Procedures</b>	<b>Findings</b>																		
	<p>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>units on the system are determined using the unit price on date of unitisation and not date of receipt.</p> <p>Transfers were not unitised on the date of receipt. In terms of the SLA, transfers are unitised within 2 days of the date of receipt or receipt of supporting schedules from the transferring fund.</p>																		
8.4	<p><b>Individual transfers in</b></p> <p>Obtain the list of individual transfers in throughout the year ended 30 June 2023 from the Fund administrator, select a sample of the lesser of 50 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 2023 from the Fund administrator, selected a sample of 5 of the number of individual transfers, and performed the following procedures:</p>																		
8.4.1	<p>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.</p>	<p>We obtained the recognition of transfer documentation submitted by the transferor fund to the Fund from the Fund administrator, except for one member where no recognition of transfer document was available.</p> <p>The effective date of the individual transfers in per the recognition of transfer, did not agree to the effective date per the listing. The effective date per the listing is the "Transaction date" for the investment of the transfer following receipt.</p> <table border="1"> <thead> <tr> <th></th> <th>Entry date per entry form</th> <th>Entry date per administration system</th> </tr> </thead> <tbody> <tr> <td>Sample 1</td> <td>07 Jul 2022</td> <td>08 Jul 2022</td> </tr> <tr> <td>Sample 2</td> <td>16 Nov 2022</td> <td>02 Dec 2022</td> </tr> <tr> <td>Sample 3</td> <td>31 Dec 2022</td> <td>15 Mar 2023</td> </tr> <tr> <td>Sample 4</td> <td>24 Mar 2023</td> <td>18 Apr 2023</td> </tr> <tr> <td>Sample 5</td> <td>30 Apr 2023</td> <td>28 Jun 2023</td> </tr> </tbody> </table>		Entry date per entry form	Entry date per administration system	Sample 1	07 Jul 2022	08 Jul 2022	Sample 2	16 Nov 2022	02 Dec 2022	Sample 3	31 Dec 2022	15 Mar 2023	Sample 4	24 Mar 2023	18 Apr 2023	Sample 5	30 Apr 2023	28 Jun 2023
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Sample 2	16 Nov 2022	02 Dec 2022																		
Sample 3	31 Dec 2022	15 Mar 2023																		
Sample 4	24 Mar 2023	18 Apr 2023																		
Sample 5	30 Apr 2023	28 Jun 2023																		
8.4.2	<p><b>In respect of unitised funds</b></p> <p>Recalculate the purchase of units for the amount received by dividing the amount</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</p>																		



	<b>Procedures</b>	<b>Findings</b>
	<p>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 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>listing by the unit price per the administration system on the date of receipt. The recalculated units did not agree to the units per the administration system as the units on the system are determined using the unit price on date of unitisation and not date of receipt.</p> <p>Transfers were not unitised on the date of receipt. In terms of the SLA, transfers are unitised within 2 days of the date of receipt or receipt of supporting schedules from the transferring fund.</p>
8.5	<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>	Not applicable. There were no unclaimed benefits paid during the year.
8.5.1	Agree the total of the list of payments to the respective general ledger unclaimed benefit accounts reconciliation prepared by the Fund administrator.	Not applicable. There were no unclaimed benefits paid during the year.
8.5.2	Select a sample of the lesser of 50 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 procedure:	Not applicable. There were no unclaimed benefits paid during the year.
8.5.2.1	<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.</p>	Not applicable. There were no unclaimed benefits paid during the year.





	Procedures	Findings
8.6	<p><b>Unclaimed benefit transfers</b></p> <p>Obtain a list of unclaimed benefits Section 14 transfers during the year from the Fund administrator and from the list of unclaimed benefits Section 14 transfers paid/accrued from the Fund throughout the year, select a sample of the lesser of 50 or 10% of the number of transfers out,(selected based on the selection criteria provided above), and perform the following procedures:</p>	Not applicable. There were no unclaimed benefits transfers during the year.
8.6.1	<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>	Not applicable. There were no unclaimed benefits transfers during the year.
8.6.2	<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>	Not applicable. There were no unclaimed benefits transfers during the year.



	<b>Procedures</b>	<b>Findings</b>
	<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>	
8.6.3	Inquire from the Fund administrator if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. Note any exceptions.	Not applicable. There were no unclaimed benefits transfers during the year.
<b>9</b>	<b>Pensioners paid</b>	
9.1	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 5 as reflected in the audited annual financial statements from the Fund administrator for the year ended year-end, and perform the following procedures:	Not applicable. The Fund did not make pensioner payments.
9.1.1	Agree the total pension expense per the reconciliation to the total pension expense per the pension expenses general ledger account. Note any differences and/or unexplained reconciliation items.	Not applicable. The Fund did not make pensioner payments.
9.2	<p><b>In-fund pensioners</b></p> <p>Obtain a detailed pensioner payroll listing reflecting the pensioner's name, identification number and monthly pension amount for the year ended 30 June 2023 from the Fund administrator and agree the total pensions amount paid to the total pension amount paid on the reconciliation obtained in procedure 9.1.</p>	<p><b>In-fund pensioners</b></p> <p>Not applicable. The Fund did not make pensioner payments.</p>



	<b>Procedures</b>	<b>Findings</b>
	From the above list, select a sample of the lesser of 50 or 10% of the number of pensioners (selected based on the selection criteria provided above), and perform the following procedures:	
9.2.1	Obtain the Board of Fund minutes or resolution from the Fund administrator and note the pension increase percentage and the effective date of the pension increase.	Not applicable. The Fund did not make pensioner payments.
9.2.2	Inspect the administration system or observe the Fund administrator indicating on the administration system the pension increase granted to the pensioners. Note the percentage increase granted to the pensioners and the effective date of the pension increase.	Not applicable. The Fund did not make pensioner payments.
9.2.3	Agree the percentage increase and effective date noted in procedure 9.2.1 to the percentage increase and effective date noted in procedure 9.2.2.	Not applicable. The Fund did not make pensioner payments.
9.2.4	Inquire from the Fund administrator when the most recent (closest to year-end of the Fund) Certificate of Existence or Department of Home Affairs confirmation 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.
9.2.5	Obtain the Certificate of Existence or Department of Home Affairs documentation noted in procedure 9.2.4 from the Fund administrator and inspect for the pensioners' names and/or identification numbers of the sample pensioners.	Not applicable. The Fund did not make pensioner payments.
9.3	<p><b>Annuities purchased in the name of the Fund</b></p> <p>Obtain an external confirmation from the annuity providers summarising the movements from the opening market value to the closing market value for the year, and perform the following procedures:</p>	<p><b>Annuities purchased in the name of the Fund</b></p> <p>Not applicable. The Fund has no living annuities purchased in the name of the Fund.</p>



	<b>Procedures</b>	<b>Findings</b>
9.3.1	Agree the closing market value of the annuity per the external confirmation from the annuity providers to the annuities purchased general ledger account . Note any differences.	Not applicable. The Fund has no living annuities purchased in the name of the Fund.
9.3.2	Agree the pension expense per the external confirmation from the annuity providers to the pension expense on the pensioner reconciliation obtained in procedure 9.1. Note any differences.	Not applicable. The Fund has no living annuities purchased in the name of the Fund.
9.4	<p><b>Living annuities in the fund</b></p> <p>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 9.1. Note any differences.</p>	<p><b>Living annuities in the fund</b></p> <p>Not applicable. The Fund has no living annuities in the Fund.</p>
9.4.1	<p><b>New living annuities in the fund</b></p> <p>From the listing obtained in procedure 9.4, select a sample (selected based on the selection criteria provided above) of the lesser of 50 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:</p>	<p><b>New living annuities in the fund</b></p> <p>Not applicable. The Fund has no living annuities in the Fund.</p>
9.4.1.1	Obtain the drawdown election of the new pensioners in receipt of a living annuity.	Not applicable. The Fund has no living annuities in the Fund
9.4.1.2	Agree the drawdown rate reflected on the pensioner record/statement obtained in procedure 9.4.1 to the drawdown rate obtained in procedure 9.4.1.1, and note any differences.	Not applicable. The Fund did not make pensioner payments.



	Procedures	Findings
9.4.2.	<p><b>All living annuities in the Fund</b></p> <p>From the listing obtained in procedure 9.4, select a sample (selected based on the selection criteria provided above) of the lesser of 50 or 10% of the number of pensioners in receipt of a living annuity, obtain the detailed pensioner record/statement for the year reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the Fund administrator, and perform the following procedures:</p>	Not applicable. The Fund has no living annuities in the Fund
9.4.2.1	<p>Compare the drawdown rate, as reflected in the detailed pensioner record/statement obtained in procedure 9.4.1, 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.</p> <p>Note any exceptions where the drawdown rate as per the administration system is higher or lower than those defined in Section 1 of the Income Tax Act and/or the Authority's Conduct Standard on the conditions for living annuities.</p>	Not applicable. The Fund has no living annuities in the Fund
9.4.2.2	<p>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 9.4.1. Agree the recalculated drawdown rate to the drawdown rate reflected on the record/statement obtained in procedure 9.4.1. Note any exceptions.</p>	Not applicable. The Fund has no living annuities in the Fund
9.4.2.3	<p>Obtain the Certificate of Existence or Department of Home Affairs confirmation noted in procedure 9.2.4 from the Fund administrator and inspect for the pensioner's</p>	Not applicable. The Fund has no living annuities in the Fund



	<b>Procedures</b>	<b>Findings</b>
	name and/or identification number. Note any exceptions.	
<b>10</b>	<b>General</b>	
10.1	<p>Obtain a copy/copies of the fund's fidelity insurance cover/policy from the Fund administrator for the year ended 30 June 2023, and inspect the period of the cover (start date and end date).</p> <p>Note instances where the cover period does not extend to the period/year-end. Note the date on which the cover is in place.</p>	We obtained a copy of the fund's fidelity insurance cover from the Fund administrator and inspected the period of the cover (start date and end date). The period of the cover per the policy extended to the year-end. The Fund's fidelity insurance cover was in place until 30 June 2024.
10.2	<p>Inquire from the Principal Officer 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.</p> <p>Where the Fund is valuation exempt, inquire from the Principal Officer when the valuation exemption was approved by the Authority and note the date.</p>	We inquired from the Principal Officer and noted that the valuation exemption was approved by the Authority on 5 July 2022.
10.2.1	Obtain a copy of the latest statutory valuation from the Fund administrator as noted in procedure 10.2 and inspect the valuation report for the funding status of the Fund (whether the Fund was under-funded or fully funded).	Not applicable as the Fund is valuation exempt.
10.2.2	Where the Fund is under-funded per the valuation report, inquire from the Principal Officer 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 as the Fund is valuation exempt.
10.2.3	Where a scheme as required by Section 18 of the Act has been approved by the Authority,	Not applicable as the Fund is valuation exempt.



	Procedures	Findings
	inquire from the Principal Officer as to whether the recommendations/ corrective actions of the scheme as required in terms of Section 18 of the Act have been implemented. Note any exceptions.	

*Johannes Grove*

JJ Grove  
Director  
Registered Auditor  
Johannesburg, South Africa  
15 December 2023

OUTvest Pension Preservation Fund  
 SCHEDULE IA - Investment Schedule  
 at 30 June 2023

	Notes	A		B		C		D		E		A+B+C+D+E V+W+X		V		W		X		W+X		Total percentage foreign exposure		Y		Z		V+W+X+Y+Z Regulation 28 (Schedule IB)	
		R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	%	R	R	R	R	R	R
Cash (including cash at bank)	A	104 801			2 158 299						4 641 288		6 904 387	6 629 509	274 878		274 878				274 878	3.98%						6 904 387	
Commodities		-			-						-		-	-	-	-	-	-	-	-	-	0.00%						-	
Housing Loans		-			-						-		-	-	-	-	-	-	-	-	-	0.00%						-	
Debt instruments including Islamic debt Instruments		-			1 209 308					39 188 208		40 397 516	30 125 776	10 271 740		10 271 740					10 271 740	0.00%					40 397 516		
Investment properties and owner occupied properties		-			-					26 112 179		26 112 179	21 067 350	5 044 828		5 044 828					5 044 828	0.00%					26 112 179		
Equities		-			-					174 375 409		174 375 409	119 890 491	54 484 918		54 484 918					54 484 918	0.00%					174 375 409		
Derivative Market instruments		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Investments in participating employer(s)		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Other assets		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Hedge Funds		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Private Equity Funds		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Collective Investment Schemes		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Insurance Policies :		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
- Linked Policies		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
- Non-Linked Policies		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
- Insurance Policies ito Reg 28(3)(c)		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Entities regulated ito Reg 28(8)(b)(iv)		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
Investments not disclosed /data not available for disclosure by entities		-			-					-		-	-	-	-	-	-	-	-	-	-	0.00%					-		
<b>TOTAL INVESTMENTS</b>		104 801			3 367 607					244 317 084		247 789 491	1 77 713 127	70 076 364		70 076 364					70 076 364	28.28%					247 789 491		



**OUTvest Pension Preservation Fund**  
**SCHEDULE IA - Notes to the investment Schedule**  
**at 30 June 2023**

**A Cash**

		R	
Instrument	Local or Foreign	Fair value	
Notes, deposits, money market instruments issued by a South African Bank, margin accounts, settlement accounts with an exchange and Islamic liquidity management financial instruments			104 801
Notes and coins, any balance or deposit in an account held with a South African bank	Local		104 801
			-
<b>Total Cash</b>			<b>104 801</b>

**B Non-compliant Collective investment schemes**

		R	
Instrument	Local or Foreign	Fair value	
Granate Money Market Fund	Local		3 367 607
<b>Total Non-compliant Collective investment schemes</b>			<b>3 367 607</b>

**C Certified Regulation 28 compliant investments**

		R	
Instrument	Local or Foreign	Fair value	
Collective Investment Schemes – regulation 28(8)(b)(i)			174 240 720
CoreShares OUTcautious Index Fund	Local		-
CoreShares OUTmoderate Index Fund	Local		167 450 435
CoreShares OUTstable Index Fund	Local		6 790 285
			70 076 364
CoreShares OUTcautious Index Fund	Foreign		-
CoreShares OUTmoderate Index Fund	Foreign		67 345 438
CoreShares OUTstable Index Fund	Foreign		2 730 926
<b>Total certified Regulation 28 compliant investments</b>			<b>244 317 084</b>

**D Entity/Counterparty exposure**

Counter party	R	R	R	Exposure to counter party as a % of the fair value of the assets
	Direct investment in counter party	Open financial instruments mark to market value	Total per Counter Party	
<b>Banks</b>	104 801	-	104 801	0.04%
First National Bank	104 801	-	104 801	0.04%
<b>Asset managers - local</b>	-	247 684 691	247 684 691	99.96%
Coeshares Asset Management	-	244 317 084	244 317 084	98.60%
Granate Asset Management	-	3 367 607	3 367 607	1.36%
	104 801	247 684 691	247 789 491	100.00%

**OUTvest Pension Preservation Fund**  
**SCHEDULE IB - Assets held in compliance with Regulation 28**  
**at 30 June 2023**

**Schedule IB**  
 Assets held in compliance with Regulation 28  
 OUTvest Pension Preservation Fund  
 30/06/2023

		R	%
<b>A</b>	<b>Total investments as per Schedule IA</b>	<b>247 789 491</b>	<b>100.00%</b>
<b>B</b>	Less: Reg 28 compliant / exempted investments		
<b>C</b>	Less: Investments not disclosed / data not available for disclosure [Refer Schedule IAN]		
<b>D</b>	<b>TOTAL ASSETS for REGULATION 28 DISCLOSURE</b>	<b>247 789 491</b>	<b>100.00%</b>
Categories of kinds of assets	%	Fair value R	Fair value %
1	CASH	6 904 387	2.79%
1.1	Notes, deposits, money market instruments issued by a South African Bank,	6 629 509	2.68%
1.1(a)	Notes and coins, any balance or deposit in an account held with a South African bank	518 373	0.21%
	ABSA Bank Limited	79	0.00%
	FirstRand Bank Ltd	111 247	0.04%
	Investec Bank Ltd	128 150	0.05%
	Nedbank Group Ltd	278 574	0.11%
	STANDARD BANK OF SOUTH AFRICA (SBK)	270	0.00%
	UNKNOWN	51	0.00%
1.1(b)	A money market instrument issued by a South African bank including an Islamic	6 187 707	2.50%
	ABSA Bank Limited	572 637	0.23%
	ABSA CAPITAL	839 561	0.34%
	Investec Bank Ltd	1 300 141	0.52%
	Nedbank Group Ltd	2 137 757	0.86%
	RAND MERCHANT BANK	557 376	0.22%
	Standard Bank Group Limited	892 615	0.36%
1.1(d)	Any positive net balance in a settlement account with an exchange, operated for the Nedbank Group Ltd SOUTH AFRICAN RAND - CCY	-76 571 -2 397 -74 174	-0.03% 0.00% -0.03%
1.2	Foreign Balances or deposits, money market instruments issued by a foreign bank including Islamic liquidity management financial instruments	274 878	0.11%
1.2(a)	Any balance or deposit held with a foreign bank CHINA CONSTRUCTION BANK Nedbank Group Ltd	274 878 28 484 246 394	0.11% 0.01% 0.10%
2	DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS	40 397 516	16.30%
2.1	Inside the Republic	30 125 776	12.16%
2.1(a)	Debt instruments issued by, and loans to, the government of the Republic, and any Republic of South Africa	27 434 308 27 434 308	11.07% 11.07%
2.1(c)	Debt instruments issued or guaranteed by a South African Bank against its balance	535 986	0.22%
2.1(c)(i)	Listed on an exchange with an issuer market capitalisation of R20 billion or more, or No Assets		
2.1(c)(iii)	Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed	449 718 449 718	0.18% 0.18%
	STANDARD BANK OF SOUTH AFRICA (SBK)		
2.1(c)(iv)	Not listed on an exchange	86 267	0.03%
	ABSA Bank Limited	86 267	0.03%
2.1(d)	Debt instruments issued or guaranteed by an entity that has equity listed on an exchange	1 589 240	0.64%
2.1(d)(i)	Listed on an exchange	627 403	0.25%
	GROWTHPOINT PROPERTIES LIMITED	210 836	0.09%
	TRANSNET LTD	158 846	0.06%
	WOOLWORTHS HOLDINGS LIMITED	257 721	0.10%
2.1(d)(ii)	Not listed on an exchange	961 838	0.39%
	EQUITES PROPERTY FUND LIMITED	140 417	0.06%
	PICK N PAY RETAILERS	336 640	0.14%
	SANLAM LIMITED	71 989	0.03%
	SHOPRITE HOLDINGS LIMITED	412 791	0.17%
2.1(e)	Other debt instruments:-	566 243	0.23%
2.1(e)(i)	Listed on an exchange	126 020	0.05%
	THEKWINI 4 LTD	126 020	0.05%
2.1(e)(ii)	Not listed on an exchange	440 223	0.18%
	THE THEKWINI WAREHOUSING CONDUIT (RF) LIMITED	369 158	0.15%
	EQUITES PROPERTY FUND LIMITED (EQ01U)	71 065	0.03%
		10 271 740	4.15%
2.2(b)	Debt instruments issued or guaranteed by the government of a foreign country	10 271 740	4.15%
	iShares Global Govt Bond UCITS	10 271 740	4.15%

**OUTvest Pension Preservation Fund**  
**SCHEDULE IB - Assets held in compliance with Regulation 28**  
**at 30 June 2023**

			174 375 409	70.37%
3	<b>EQUITIES</b>		<b>119 890 491</b>	<b>48.38%</b>
3.1	<b>Inside the Republic</b>	75	<b>119 890 491</b>	<b>48.38%</b>
3.1(a)	Preference and ordinary shares in companies, excluding shares in property	75	<b>113 327 335</b>	<b>45.74%</b>
3.1(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as	75	<b>3 142 734</b>	<b>1.27%</b>
	ABSA GROUP LTD (ABG)	15	465 009	0.19%
	AFRICAN RAINBOW MINERALS LTD (ARI)		9 605 697	3.88%
	ANGLO AMERICAN PLC (AGL)		615 161	0.25%
	ANGLO PLATINUM LTD (AMS)		3 678 656	1.48%
	ANGLOGOLD ASHANTI LTD (ANG)		1 588 388	0.64%
	ANHEUSER-BUSCH INBEV SA/NV (ANH)		1 548 030	0.62%
	ASPEN PHARMACARE HOLDINGS LTD (APN)		493 351	0.20%
	AVI LTD (AVI)		2 447 981	0.99%
	BHP GROUP LTD (BHG)		3 059 238	1.23%
	BID CORPORATION LTD (BID)		3 089 488	1.25%
	BRITISH AMERICAN TOBACCO PLC (BTI)		3 331 678	1.34%
	CAPITEC BANK HOLDINGS LTD (CPI)		4 795 597	1.94%
	CE FINANCIERE R (CFR)		1 378 857	0.56%
	CLICKS GROUP LIMITED (CLS)		1 581 200	0.64%
	DISCOVERY HOLDINGS LTD (DSY)		868 011	0.35%
	EXXARO RESOURCES LTD (EXX)		8 471 024	3.42%
	FIRSTRAND LTD (FSR)		1 580 293	0.64%
	GLENCORE XSTRATA PLC (GLN)		5 154 168	2.08%
	GOLD FIELDS LTD (GFI)		925 929	0.37%
	HARMONY GOLD MINING COMPANY LTD (HAR)		2 305 863	0.93%
	IMPALA PLATINUM HOLDINGS LTD (IMP)		680 305	0.27%
	INVESTEC BANK LTD (INL)		1 494 652	0.60%
	INVESTEC PLC (INP)		296 181	0.12%
	KUMBA IRON ORE LTD (KIO)		625 636	0.25%
	LIFE HEALTHCARE GROUP HOLDINGS LTD (LHC)		3 091 528	1.25%
	MONDI PLC (MNP)		794 963	0.32%
	MR PRICE GROUP LTD (MRP)		2 697 535	1.09%
	MTN GROUP LTD (MTN)		924 932	0.37%
	MULTICHOICE GROUP LTD (MCG)		9 980 291	4.03%
	NASPERS LTD - N SHARES (NPN)		2 339 814	0.94%
	NEDBANK GROUP LTD (NED)		605 944	0.24%
	NETCARE PREFERENCE SHARE LTD (NTCP)		748 979	0.30%
	NORTHAM PLATINUM (NPH)		1 279 653	0.52%
	OLD MUTUAL LTD (OMU)		615 186	0.25%
	OUTSURANCE GROUP LIMITED (OUT)		2 555 220	1.03%
	PROSUS NV (PRX)		1 670 695	0.67%
	REMIGRO LTD (REM)		2 258 654	0.91%
	SANLAM LTD (SLM)		460 529	0.19%
	SAPP LTD (SAP)		3 004 346	1.21%
	SASOL LTD (SOL)		2 377 113	0.96%
	SHOPRITE HOLDINGS LTD (SHP)		1 762 445	0.71%
	SIBANYE STILLWATER LTD (SSW)		5 256 425	2.12%
	STANDARD BANK GROUP LTD (SBK)		1 911 745	0.77%
	THE BIDVEST GROUP LTD (BVT)		669 012	0.27%
	THE FOSCHINI GROUP LIMITED (TFG)		434 446	0.18%
	THE SPAR GROUP LTD (SPG)		464 036	0.19%
	THUNGELA RESOURC (TGA)		582 553	0.24%
	TIGER BRANDS LTD (TBS)		2 091 219	0.84%
	VODACOM GROUP LIMITED (VOD)		1 525 944	0.62%
	WOOLWORTHS HOLDINGS LTD (WHL)			
3.1(a)(ii)	Issuer market capitalisation of between R2 billion and R20 billion, or an amount or	75	<b>5 151 035</b>	<b>2.08%</b>
	ABSA BANK LTD PREFERENCE SHARES (ABSP)	10	1 161 102	0.47%
	DISCOVERY B PREFERENCE SHARES (DSBP)		862 595	0.35%
	GRINDROD LTD CUM PREF SHARE (GNDP)		773 814	0.31%
	INVESTEC LTD PREFERENCE SHARE (INPR)		1 141 903	0.46%
	STANDARD BANK GROUP LTD PREF (SBPP)		1 211 620	0.49%
3.1(a)(iii)	Issuer market capitalisation of less than R2 billion, or an amount or conditions as	75	<b>1 412 122</b>	<b>0.57%</b>
	prescribed			
	INVICTA HOLDINGS HOLDINGS LTD PREF SHARES (IVTP)	5	864 214	0.35%
	RECM & CALIBRE NONCUM PREF SHARES (RACP)		547 908	0.22%
3.2	<b>Foreign</b>			
	SARB maximum limits		<b>54 484 918</b>	<b>21.99%</b>
3.2(a)	Preference and ordinary shares in companies, excluding shares in property			
	companies, listed on an exchange:-		<b>54 484 918</b>	<b>21.99%</b>
3.2(a)(i)	Issuer market capitalisation of R20 billion or more, or an amount or conditions as			
	prescribed		<b>54 484 918</b>	<b>21.99%</b>
	SARB maximum limits			
	<b>ISHARES CORE EM (BKM4GZ6)</b>	15	<b>14 216 258</b>	<b>5.74%</b>
	<b>VANGUARD-TOT WOR (B3B9QW0)</b>		<b>40 268 660</b>	<b>16.25%</b>
	Apple Inc (2046251) AAPL		1 614 773	0.65%
	Microsoft Corp (2588173) MSFT		1 413 430	0.57%
	Amazon Inc (2000019) AMZN		656 379	0.26%
	NVIDIA Corp (2379504) NVDA		559 734	0.23%
	Tesla Inc (B616C79) TSLA		402 687	0.16%
	Alphabet Inc (BYVY8G0) GOOGL		402 687	0.16%
	Meta Platforms Inc (B7TL820) META		354 364	0.14%
	Alphabet Inc (BY88Y7) GOOG		342 284	0.14%
	Berkshire Hathaway Inc (2073390) BRK/B		289 934	0.12%
	UnitedHealth Group Inc (2917766) UNH		249 666	0.10%
	Exxon Mobil Corp (2326618) XOM		241 612	0.10%
	Johnson & Johnson (2475833) JNJ		241 612	0.10%
	JPMorgan Chase & Co (2190385) JPM		237 595	0.10%
	Eli Lilly & Co (2516152) LLY		221 478	0.09%
	Visa Inc (B2P2N04) V		213 424	0.09%
	Taiwan Semiconductor Manufacturing Co Ltd (6889106) 2330		205 370	0.08%
	Procter & Gamble Co/The (2704407) PG		201 343	0.08%
	Vanguard-Other		32 420 298	13.08%

**OUTvest Pension Preservation Fund**  
**SCHEDULE IB - Assets held in compliance with Regulation 28**  
**at 30 June 2023**

Code	Description	Weight	Value	Weight
4	<b>IMMOVABLE PROPERTY</b>		26 112 179	10.54%
4.1	<b>Inside the Republic</b>		21 067 350	8.50%
4.1(a)	Preference shares, ordinary shares and linked units comprising shares linked to	25	21 064 015	8.50%
4.1(a)(i)	Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	25	17 035 420	6.87%
	EQUITES PROPERTY FUND LIMITED (EQU)	15	982 260	0.40%
	FORTRESS REAL ESTATE INVESTMENTS LIMITED A (FFA)		1 656 440	0.67%
	GROWTHPOINT PROPERTIES LTD (GRT)		2 727 250	1.10%
	HYPROP INVESTMENTS LTD (HYP)		1 208 790	0.49%
	LIGHTHOUSE PROPERTIES PLC (LTE)		571 544	0.23%
	MAS PLC (MSP)		879 287	0.35%
	NEPI ROCKCASTLE N.V. (NRP)		3 039 173	1.23%
	REDEFINE PROPERTIES LIMITED (RDF)		1 926 839	0.78%
	RESILIENT PROPERTY INCOME FUND LTD (RES)		1 530 228	0.62%
	SHAFTSBURY CAPITAL PLC (SHC)		496 893	0.20%
	SIRIUS REAL ESTATE LTD (SRE)		695 358	0.28%
	VUKILE PROPERTY FUND LTD (VKE)		1 321 357	0.53%
4.1(a)(ii)	Issuer market capitalisation of between R5 billion and R10 billion, or an amount or conditions as prescribed	25	3 653 045	1.47%
	ATTACO LIMITED (ATT)	10	716 462	0.29%
	EMIRA PROPERTY FUND LIMITED (EMI)		301 781	0.12%
	FAIRVEST LTD-B (FTB)		443 450	0.18%
	FORTRESS REAL ESTATE INVESTMENTS LIMITED B (FFB)		514 952	0.21%
	INVESTEC PROPERTY FUND LIMITED (IPF)		525 320	0.21%
	SA CORPORATE REAL ESTATE FUND (SAC)		534 686	0.22%
	STOR-AGE PROPERTY REIT LTD (SSS)		616 394	0.25%
4.1(a)(iii)	Issuer market capitalisation of less than R5 billion or an amount or conditions as prescribed	25	375 550	0.15%
	HAMMERSON PLC (HMN)	5	375 550	0.15%
4.1(b)	Immovable property, preference and ordinary shares in property companies, and INTU PROPERTIES PLC (UITU)	15	3 335	0.00%
		5	3 335	0.00%
4.2	<b>Foreign</b>	SARB maximum limits	5 044 828	2.04%
4.2(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:-	SARB maximum limits	5 044 828	2.04%
4.2(a)(i)	Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed	SARB maximum limits	4 863 420	1.96%
	ALEXANDRIA REAL (2009210)	15	113 546	0.05%
	AVAILONBAY COMMUN (2131179)		167 854	0.07%
	CAPITALLAND ASCENDAS REIT (6563875)		42 497	0.02%
	CAPITALLAND INTEGRATED COMMERCIAL TRUST (6420129)		44 710	0.02%
	CHINA OVERSEAS LAND & INV (6192150)		52 240	0.02%
	CHINA RESOURCES LAND (6193766)		79 249	0.03%
	CK ASSET HOLDINGS LTD (BYZQ077)		67 648	0.03%
	DAIWA HOUSE INDU (6251363)		110 012	0.04%
	DIGITAL REALTY TRUST (B03GQ54)		206 048	0.08%
	EQUINIX (BVLX12)		456 560	0.18%
	EQUITY RESIDENTI (2319157)		142 749	0.06%
	ESSEX PROPERTY (2316619)		96 060	0.04%
	EXTRA SPACE STOR (B02HWR9)		125 458	0.05%
	GAMING AND LEISU (BFPK455)		78 536	0.03%
	INVITATION HOMES (BD81GW9)		125 747	0.05%
	IRON MOUNTAIN (BVF7D03)		105 017	0.04%
	KLEPIERRE (7582556)		30 444	0.01%
	LAND SECURITIES (BYWOPQ6)		35 150	0.01%
	LINK REIT (B0PB4M7)		91 034	0.04%
	MID-AMERICA APAR (2589132)		110 345	0.04%
	MITSUBISHI ESTAT (6596729)		93 674	0.04%
	MITSUI FUDOSAN CO (6597603)		118 808	0.05%
	NIPPON BUILDING FUND (6396800)		42 021	0.02%
	NIPPON PROLOGIS REIT (B988C67)		35 129	0.01%
	PROLOGIS (B44WZD7)		485 136	0.20%
	PSF SWISS PR-REG (B012877)		32 234	0.01%
	PUBLIC STORAGE (2852533)		290 320	0.12%
	REALTY INCOME CORP (2724193)		236 851	0.10%
	SCENTRE GROUP (BL2HOZ7)		57 647	0.02%
	SIMON PROPERTY GROUP (2812452)		237 604	0.10%
	SUMITOMO REALTY & DEV CO (6858902)		73 653	0.03%
	SUN COMMUNITIES (2860257)		102 334	0.04%
	SUN HUNG KAI PRO (6859927)		119 440	0.05%
	SWISS PRIME-REG (B083BH4)		41 904	0.02%
	UDR (2727910)		83 607	0.03%
	VICI PROPERTIES (BYVWH073)		200 867	0.08%
	WELLTOWER INC (BYVYHH4)		240 539	0.10%
	WP CAREY INC (B826YT8)		90 751	0.04%
4.2(a)(ii)	Issuer market capitalisation of between R5 billion and R10 billion, or an amount or conditions as prescribed	SARB maximum limits	36 456	0.01%
	GECCINA SA (7742468)	10	36 456	0.01%
4.2(a)(iii)	Issuer market capitalisation of less than R5 billion or an amount or conditions as prescribed	SARB maximum limits	144 952	0.06%
	GOODMAN GROUP (B03FY24)	5	144 952	0.06%
<b>TOTAL ASSETS (Schedule IB - D above)</b>			<b>247 789 491</b>	<b>100.00%</b>
<b>TOTAL ASSETS (Schedule IA - Total Investments)</b>			<b>247 789 491</b>	<b>100.00%</b>

OUTvest Pension Preservation Fund  
 SCHEDULE IB - Assets held in compliance with Regulation 28  
 at 30 June 2023

Investment Summary (Regulation 28)

1. Balances or deposits, money market instruments issued by a bank including Islamic liquidity management financial instruments
  2. Debt instruments including Islamic debt instruments
  3. Equities
  4. Immovable property
- TOTAL (equal to fair value of assets)

Local	Percentage of Fair value	Foreign	Percentage of Fair value	Percentage of Fair value	Total
R	%	R	%	%	R
6 629 509	2.68%	274 878	0.11%	2.79%	6 904 387
30 125 776	12.16%	10 271 740	4.15%	16.30%	40 397 516
119 850 491	48.35%	54 484 918	21.59%	70.37%	174 335 409
21 067 350	8.50%	5 044 828	2.04%	10.94%	26 112 178
<b>177 713 126</b>	<b>71.72%</b>	<b>70 076 364</b>	<b>28.28%</b>	<b>100.00%</b>	<b>247 789 491</b>

Asset Limits in terms of sub regulation 3(f)

	Total (Inside & Foreign) R	Percentage of Fair value %	Regulation 28 Limits
Other debt instruments not listed	225970	0.09%	
Equities not listed	0	0.00%	
Immovable Properties not listed	3335	0.00%	
Hedge funds,	0	0.00%	
Private Equity funds and	0	0.00%	
Other assets	0	0.00%	
<b>TOTAL</b>	<b>229 305</b>	<b>0.09%</b>	<b>45</b>

Asset Limits in terms of sub regulation 3(g)

Equities not listed	0	0.00%	
Private Equity funds	0	0.00%	
<b>TOTAL</b>	<b>-</b>	<b>0.00%</b>	<b>20%</b>

Asset Limits in terms of sub-regulation 3(h)

There are no entities exceeding 25% Counter-party exposure.

NOTES-

2. If the investments exceed the limit per institution/company/individual and no exemption has been obtained, the details below must be completed for each institution/company/individual in each category of assets.

Investments in institution/company/individual	Item	Fair Value (R)	% of Fair Value
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

3. EXEMPTIONS GRANTED

Item	Max %	Date of letter	Expiry Date
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....



## **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 OUTvest Pension Preservation 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 OUTvest Pension Preservation Fund (the Fund) with a reasonable assurance opinion that Schedule IB "Assets held in compliance with Regulation 28" (the Schedule) on pages 54 to 57 at 30 June 2023 is prepared in all material respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) as at 30 June 2023.

#### *The Board of Fund's responsibility for the Schedule*

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

#### *Our Independence and Quality Management*

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

The firm applies the International Standard on Quality Management 1, 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.

#### *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

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090  
Private Bag X36, Sunninghill, 2157, South Africa  
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.  
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.



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 OUTvest Pension Preservation Fund for the year ended 30 June 2023, prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa, on which we issued an unmodified opinion on 15 December 2023. That audit was performed in accordance with International Standards on Auditing. Where appropriate, we have drawn on evidence obtained regarding information contained in the Schedule that has been extracted from the Fund's underlying accounting records that were the subject of our audit engagement on the annual financial statements and forms the subject matter of this engagement.

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

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

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

#### *Opinion*

In our opinion, the Schedule IB "Assets held in compliance with Regulation 28" at 30 June 2023 is prepared in all material respects in accordance with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) of the Act, and the Fund has complied, in all material respects, with Regulation 28 (3)(a), (3)(c), (3)(e)-(i), (3)(iB), (3)(j), (4), (8)(a) and (9) as at 30 June 2023.



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

Regulation 28(3)(iA) states that the aggregate exposure by a Fund to all issuers in respect of direct infrastructure, across all asset categories, excluding any debt instrument issued or guaranteed by the South African Government, may not exceed 45% of the aggregate fair value of the total assets of the Fund. Regulation 28(8)(b) requires the Fund to report its infrastructure assets, with respect to the top 20 holdings, in the format specified in Table 2. The definition of 'infrastructure' in the amended Regulation 28 as prescribed in Government Gazette No.46649 of 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.

*PricewaterhouseCoopers Inc*

PricewaterhouseCoopers Inc.  
Director: JJ Grové  
Registered Auditor  
15 December 2023  
Johannesburg, South Africa