

SECTION 15 AUDITOR'S REPORT – PRESERVATION AND RETIREMENT ANNUITY FUNDS

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/UNAUDITED*] ANNUAL FINANCIAL STATEMENTS AND OTHER SPECIFIED INFORMATION IN THE GENERAL LEDGER AND MANAGEMENT INFORMATION COMPRISING THE ACCOUNTING RECORDS (THE "SUBJECT MATTER") OF [INSERT NAME OF FUND] ("THE FUND" FOR THE [PERIOD/YEAR] ENDED [INSERT PERIOD/YEAR-END]

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 [period/year] ended [insert the period/year-end], 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.

[For engagements beginning before 15 December 2022] *[Delete this block, if not applicable]*

Professional Ethics and Quality Control

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

The firm applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*; and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

[For engagements beginning on or after 15 December 2022] *[Delete this block, if not applicable]*

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/unaudited*] annual financial statements and other specified information in the general ledger and management information comprising the accounting records of the Fund for the [period/year] ended *[insert the period/year-end]*.

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/unaudited*] annual financial statements of the Fund for the [period/year] ended *[insert the period/year-end]*.

Sample size and selection criteria:

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

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

	Procedures	Findings								
	Statement of Net Assets and Funds									
1	Investments									
1.1	Obtain a list of all investments as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and agree the total investment balance per the list to the amount reflected in the Statement of Net Assets and Funds per the [[audited/unaudited*] annual financial statements as at [insert the period/year-end] and note any differences.	<p>We obtained a list of investments as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and [agreed/did not agree] 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 [insert the period/year-end].</p> <p>[Insert the table to illustrate the difference noted.]</p> <table><tr><td></td><td>R</td></tr><tr><td>Total as per the list of investment balances</td><td></td></tr><tr><td>Investments balance as per the Statement of Net Assets and Funds</td><td></td></tr><tr><td>Difference</td><td></td></tr></table>		R	Total as per the list of investment balances		Investments balance as per the Statement of Net Assets and Funds		Difference	
	R									
Total as per the list of investment balances										
Investments balance as per the Statement of Net Assets and Funds										
Difference										
1.1.1	a) Obtain external confirmations of all investment balances per the list of investments obtained in procedure 1.1, from the [investment managers / insurers / collective investments managers] as at [insert the period/year-end]. Where the auditor is	a) We obtained external confirmations of all investment balances per the list of investments obtained in procedure 1.1, from the [investment managers / insurers / collective investments managers] as at [insert								

	<p>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/Fund administrator] to translate the investment value to South African rand (ZAR) from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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>the period/year-end] [with the exception of the following investments for which we were unable to obtain external confirmations:]</p> <p>[Provide details of the exceptions.]</p> <p>b) For external confirmations that are in a foreign currency, we obtained the exchange rate(s) applied by the [Fund/Fund administrator] to translate the investment value to South African rand (ZAR) from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and recalculated the ZAR values of the investments per the external confirmations obtained and [agreed/did not agree] the recalculated values to the investment balances as per the list of investments obtained in procedure 1.1.</p> <p>[Insert the table to illustrate the difference noted.]</p> <table border="1"> <tr> <td></td> <td>R</td> </tr> <tr> <td>Total as per the list of investment balances</td> <td></td> </tr> <tr> <td>Unsettled trades</td> <td></td> </tr> <tr> <td>Accrued income and expenses</td> <td></td> </tr> <tr> <td>Subtotal</td> <td></td> </tr> <tr> <td>Total as per the external confirmations obtained from the [investment managers / insurers / collective investment scheme</td> <td></td> </tr> </table>		R	Total as per the list of investment balances		Unsettled trades		Accrued income and expenses		Subtotal		Total as per the external confirmations obtained from the [investment managers / insurers / collective investment scheme	
	R													
Total as per the list of investment balances														
Unsettled trades														
Accrued income and expenses														
Subtotal														
Total as per the external confirmations obtained from the [investment managers / insurers / collective investment scheme														

		<table><tr><td>managers].</td><td></td></tr><tr><td>Difference</td><td></td></tr></table>	managers].		Difference											
managers].																
Difference																
		<p>c) For external confirmations that are in ZAR, we [agreed/did not 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.</p> <p>[Insert the table to illustrate the difference noted.]</p> <table><tr><td></td><td>R</td></tr><tr><td>Total as per the list of investment balances</td><td></td></tr><tr><td>Unsettled trades</td><td></td></tr><tr><td>Accrued income and expenses</td><td></td></tr><tr><td>Subtotal</td><td></td></tr><tr><td>Total as per the external confirmations obtained from the [investment managers / insurers / collective investment scheme managers].</td><td></td></tr><tr><td>Difference</td><td></td></tr></table>		R	Total as per the list of investment balances		Unsettled trades		Accrued income and expenses		Subtotal		Total as per the external confirmations obtained from the [investment managers / insurers / collective investment scheme managers].		Difference	
	R															
Total as per the list of investment balances																
Unsettled trades																
Accrued income and expenses																
Subtotal																
Total as per the external confirmations obtained from the [investment managers / insurers / collective investment scheme managers].																
Difference																
1.1.2	From the list of investments obtained in procedure 1.1, by inspection of the list or inquiry with the [Fund administrator/[insert the name and designation of the representative of the Fund]], note new investments made during the [period/year] ended [insert the period/year-end]. Select a sample of 10 of the largest value new	We inspected the list obtained in procedure 1.1 or inquired with the [Fund administrator/[insert the name and designation of the representative of the Fund]] and did not note any new investments made during the														

	investments (if there are less than 10 new investments, select all) from the list of investments obtained in procedure 1.1, and perform the following procedures:	<p>[period/year] ended [insert the period/year-end].</p> <p>OR</p> <p>We inspected the list obtained in procedure 1.1 or inquired with the [Fund administrator/[insert the name and designation of the representative of the Fund]] and noted new investments made during the [period/year] ended [insert the period/year-end].</p> <p>We selected [a sample of the 10 largest new investments / all new investments] from the list of investments obtained in procedure 1.1 and performed the following procedures:</p>
1.1.2.1	Inquire from the [Principal Officer/[insert the name and designation of the representative of the Fund]] the date on which the investment policy statement of the Fund was last reviewed/approved by the Board of Fund. Note the date.	We inquired from the [Principal Officer/[insert the name and designation of the representative of the Fund]] and noted that the investment policy statement of the Fund was last reviewed/approved by the Board of Fund on [insert the date].
1.1.2.2	Obtain the latest approved policy statement from the [Principal Officer/[insert the name and designation of the representative of the Fund]]. Inspect the investment policy statement and document the different categories of investments which are within the scope of the investment policy statement.	<p>We obtained the latest approved policy statement from the [Principal Officer/[insert the name and designation of the representative of the Fund]]. We inspected the investment policy statement from the [Principal Officer/[insert the name and designation of the representative of the Fund]] and the different categories of investments within the scope of the investment policy statement are as follows:</p> <p>[List of categories within the scope of the investment policy statement.]</p>
1.1.2.3	Inspect the investment note [insert the note number] of the [audited/unaudited*] annual financial statements for the year ended [insert the date] and document the categories of investments that the Fund has invested in.	We inspected the investment note [insert the note number] of the [audited/unaudited*] annual financial statements for the year ended [insert the date] and the categories of investments that the Fund has invested in are as follows:

		[List the categories of investments that the Fund has invested in per the [audited/unaudited*] annual financial statements.]
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/unaudited*] annual financial statements do not agree to the investment policy statement.	<p>We compared the categories documented in procedure 1.1.2.2 with the categories documented in procedure 1.1.2.3 and [noted no instances where the investment categories per the [audited/unaudited*] annual financial statements do not agree with the investment policy statement]] / [noted the following instances where the investment categories per the [audited/unaudited*] annual financial statements do not agree to the investment policy statement:]]</p> <p>[Insert details of instances where the investment categories per the [audited/unaudited*] annual financial statements do not agree to the investment policy statement.]</p>
1.2.	Calculate the total value of direct investments held by the Fund in the participating employer as reflected in the investment note [insert the note number] of the [audited/unaudited*] annual financial statements, as a percentage of the total assets reflected in the Statement of Net Assets and Funds per the [audited/unaudited*] annual financial statements and note the calculated percentage.	<p>Not applicable. We noted no direct investments held in participating employers disclosed in the investment note [insert the note number] of the [audited/unaudited*] annual financial statements.</p> <p style="text-align: center;">OR</p> <p>We calculated the total value of direct investments held by the Fund in the participating employer as reflected in the investment note [insert the note number] of the [audited/unaudited*] annual financial statements, as a percentage of the total assets reflected in the [audited/unaudited*] annual financial statements. The calculated percentage is [insert %].</p>
1.2.1	Where the calculated percentage in procedure 1.2 exceeds 5%, obtain from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the	<p>Not applicable. The calculated percentage in procedure 1.2 did not exceed 5%.</p> <p style="text-align: center;">OR</p>

	<p>Fund]] the exemption letter received by the Fund from the Authority for these investments.</p> <p>Note the date of the exemption letter; alternatively, note if no exemption letter could be obtained.</p>	<p>We [obtained/could not obtain] from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]] the exemption letter received by the Fund from the Authority for these investments. [The exemption letter inspected is dated [insert the date]].</p>
1.3	<p>Section 19(5B) Investments</p> <p>Inquire from the [Principal Officer/[insert the name and designation of the representative of the Fund]] about the matters specified below as they relate to the [period/year] ended [insert the period/year-end date] and note the following:</p> <ul style="list-style-type: none"> i. Any loans or guarantees have been granted to a member of the Fund other than for the purposes of Section 19(5); and ii. Any loans that have been granted to, and investments that were made in the shares of the following: <ul style="list-style-type: none"> a. A company controlled by an officer or a member of the fund or a director of a company which is an employer participating in the scheme or arrangement whereby the fund has been established; or b. A subsidiary (as defined in the Companies Act) of such a first-mentioned company. <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/[insert the name and designation of the representative of the Fund]] about the matters specified below as they relate to the [period/year] ended [insert the period/year-end date]. Based on our inquiries performed, we noted the following:</p> <ul style="list-style-type: none"> i. [The following loans or guarantees were / there were no loans or guarantees] granted to a member of the Fund other than for the purposes of Section 19(5); and ii. [The following loans granted to, and investments were / there were no loans granted to, and investments] made in the shares of the following: <ul style="list-style-type: none"> a. A company controlled by an officer or a member of the fund or a director of a company which is an employer participating in the scheme or arrangement whereby the fund has been established; or b. A subsidiary (as defined in the Companies Act) of such a first-mentioned company. <p>[Provide the following details of loans if granted: date, amounts and name of borrower.]</p>
1.4	<p>Section 19(5D) Investments</p> <p>Inquire from the [Principal Officer/[insert the name and designation of the representative of the Fund]] about the matters specified below as they relate to the [period/year] ended</p>	<p>We inquired from the [Principal Officer/[insert the name and designation of the representative of the Fund]] about the matters specified below as they relate to the [period/year] ended [insert the period/year-</p>

	<p>[insert the period/year-end date] and document the responses obtained:</p> <p>a. The Fund, directly or indirectly, acquired or held shares or any other financial interest in another entity at [period/year-end], which resulted in the Fund exercising control over that entity without obtaining the prior approval from the Authority; and</p> <p>b. The approval referred to in paragraph (a) was given, subject to any conditions, and note these conditions.</p>	<p>end date]. Based on our inquiries performed, the following responses were obtained:</p> <p>a. The Fund has not acquired or held any shares or financial interest in another entity which results in the exercising of control.</p> <p style="text-align: center;">OR</p> <p>a. The Fund, directly or indirectly, acquired or held shares or any other financial interest in another entity at [period/year-end], which resulted in the Fund exercising control over that entity [with/without] obtaining prior approval from the Authority.</p> <p>b. We further inquired and noted that the approval referred to was given subject to [no / the following] conditions:</p> <p>[Insert details of the conditions.]</p>
2	Member individual accounts	
2.1	Obtain a list of the member individual accounts for members (including contributing, paid-up and deferred members) as at [insert the date of the end of the period/year] and as at [insert the date of the beginning of the period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform procedure 2.3.	We obtained a list of the member individual accounts for members (including contributing, paid up and deferred members) as at [insert the date of the end of the period/year] and as at [insert the date of the beginning of the period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and performed procedure 2.3.
2.2	Obtain a reconciliation of the total value of the list of member individual accounts as at [insert the date of the end of the period/year] obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as at [insert the date of the end of the period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. Note the reconciling items.	We [obtained/did not obtain] a reconciliation of the total value of the list of member individual accounts as at [insert the date of the end of the period/year] obtained in procedure 2.1 to the Members' individual accounts balance as per the Statement of Net Assets and Funds as at [insert the end of the period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. [The following reconciling items were noted:]

		<table><tr><td></td><td>R</td></tr><tr><td>Total as per the list of member individual accounts</td><td></td></tr><tr><td>Less/add: [insert details of reconciling items]</td><td></td></tr><tr><td>Subtotal</td><td></td></tr><tr><td>Member individual account as reflected on the Statement of Net Assets and Funds as at [insert the period/year-end]</td><td></td></tr><tr><td>Difference</td><td></td></tr></table>		R	Total as per the list of member individual accounts		Less/add: [insert details of reconciling items]		Subtotal		Member individual account as reflected on the Statement of Net Assets and Funds as at [insert the period/year-end]		Difference	
	R													
Total as per the list of member individual accounts														
Less/add: [insert details of reconciling items]														
Subtotal														
Member individual account as reflected on the Statement of Net Assets and Funds as at [insert the period/year-end]														
Difference														
2.3	<p>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 [period/year] obtained in procedure 2.1 (selected based on the selection criteria provided above) and perform the following procedures for each member selected and for each of the following three months selected, based on the sample selection criteria described below (months selection only applicable to retirement annuity funds):</p> <ul style="list-style-type: none">• [Insert month x;• Insert month y; and• Insert the last month of the period/year.] <p>[Specify the basis of the sample selection for the two months, other than the last month of the period/year, as agreed with the Fund.]</p>	<p>We selected a sample of [insert the number of items] members from the list of members at the end of the [period/year] obtained in procedure 2.1 for the following three months (months selection only applicable to retirement annuity funds):</p> <ul style="list-style-type: none">• [Month x];• [Month y]; and• [Last month of the period/year.] <p>[Selected based on the following sample selection criteria agreed with the Fund:]</p> <p>[Provide a description of the basis of the sample selection for the two months, other than the last month of the period/year.]</p> <p>We performed the following procedures for each member and month selected:</p>												
2.4	Inquire from the [Fund administrator/[insert the name and designation of the	We inquired from the [Fund administrator/[insert the name and												

	representative of the Fund]] whether the Fund is a unitised or non-unitised fund, and note the type of fund.	designation of the representative of the Fund]] whether the Fund is a unitised or non-unitised fund, and noted that the fund is a [choose whichever is applicable: [unitised/non-unitised fund]].
2.4.1	<p>If the fund is a unitised fund, as noted in procedure 2.4</p> <p>For the sample of members selected in procedure 2.3, perform the following procedures:</p>	<p>Not applicable. The Fund does not offer unitised investment products.</p> <p style="text-align: center;">OR</p> <p>For the members selected with unitised investment products, we performed the following procedures:</p>
2.4.1.1	Recalculate the units allocated to the member for the specific month (for retirement annuity funds), as per the fund administration system, by dividing the contributions and/or lump sum transfer received (for preservation funds, that is the lump sum transfer amount received) by the unit price, using both inputs as per the administration system on the dates that the contributions and/or lump sum transfers received were unitised. Agree the recalculated units to the units allocated to the member for the specific month as per the fund administration system. Note any differences.	<p>Not applicable. The Fund does not offer unitised investment products.</p> <p style="text-align: center;">OR</p> <p>We recalculated the units allocated to the member for the specific month, as per the fund administration system (for retirement annuity funds), by dividing the contributions and/or lump sum transfer received (for preservation funds, that is the lump sum transfer amount received) by the unit price, using both inputs as per the administration system on the dates that the contributions and/or lump sum transfers received were unitised. The recalculated units [agreed/did not agree] to the units allocated to the member for the specific month as per the fund administration system.</p> <p>[Provide details of the differences.]</p>
2.4.1.2	Obtain an external confirmation of the unit prices from [insert the name and specify the authority of the investment manager / actuary / other party who provides the external confirmation] throughout the period/year ended [insert the period/year-end]. Note any exceptions of confirmations not obtained.	<p>Not applicable. The Fund does not offer unitised investment products.</p> <p style="text-align: center;">OR</p> <p>We [obtained/could not obtain as detailed below,] an external confirmation of the unit prices from [insert the name and specify the authority of the investment manager / actuary / other party who provided the external confirmation] throughout the period/year ended [insert the period/year-end].</p> <p>[Provide details of the exceptions.]</p>

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.	<p>Not applicable. The Fund does not offer unitised investment products.</p> <p>OR</p> <p>We [agreed/did not 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.</p> <p>[Provide details of the differences.]</p>
2.4.1.4	Recalculate the member's fund credit as at [insert the period/year-end date] 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.	<p>Not applicable. The Fund does not offer unitised investment products.</p> <p>OR</p> <p>We recalculated the member's fund credit as at [insert the period/year-end date] by multiplying the number of units with the unit price, using both inputs as per the administration system. The recalculated amount [agreed/did not agree] to the member's fund credit per the listing obtained in procedure 2.1.</p> <p>[Provide details of the differences.]</p>
2.4.1.5	Agree the [insert the period/year-end date] unit price as per the administration system used in procedure 2.4.1.1 to the unit price obtained from the [insert the name of the investment manager / actuary / specify other authorised party] in procedure 2.4.1.2, and note any differences.	<p>Not applicable. The Fund does not offer unitised investment products.</p> <p>OR</p> <p>The [insert the period/year end date] unit price as per the administration system used in procedure 2.4.1.1 [agreed/did not agree] to the unit price obtained from the [insert the name of the investment manager / actuary / specify other authorised party] in procedure 2.4.1.2.</p> <p>[Provide details of the differences.]</p>
2.4.2	<p>If the fund is a non-unitised fund as noted in procedure 2.4</p> <p>For the sample of members selected in procedure 2.3, perform the following procedures:</p>	<p>Not applicable. The Fund does not offer non-unitised investment products.</p> <p>OR</p> <p>For the sample of members selected in procedure 2.4, we performed the following procedures:</p>
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	Not applicable. The Fund does not offer non-unitised investment products.

	consultant / asset manager / fund valuator] that indicates the rate of investment returns to be allocated to members from the [Fund administrator/Principal Officer/[insert the name and designation of the Fund representative]].	OR We [obtained/did not 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 be allocated to members from the [Fund administrator/Principal Officer/[insert the name and designation of the Fund representative]].
2.4.2.2	Inquire from the [Fund administrator/[insert the name and designation of the Fund representative]] 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.	We inquired from the [Fund administrator/[insert the name and designation of the Fund representative]] 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.
2.4.2.3	<p>Recalculate the member's closing fund credit as at [insert the date of the end of the period/year] by:</p> <ul style="list-style-type: none"> • Taking the member's opening fund credit from the opening listing obtained in procedure 2.1; • 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 • Adding/subtracting the returns allocated to the member as calculated using the basis provided by the [Fund administrator/[insert the name and designation of the Fund representative]] in procedure 2.4.2.2. <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>	<p>We recalculated the member's closing fund credit as at [insert the date of the end of the period/year] by:</p> <ul style="list-style-type: none"> • Taking the member's opening fund credit from the opening listing obtained in procedure 2.1; • 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 • Adding/subtracting the returns allocated to the member as calculated using the basis provided by the [Fund administrator/[insert the name and designation of the Fund representative]] in procedure 2.4.2.2. <p>The recalculated amount [agreed/did not agree] to the member's fund credit per the closing listing obtained in procedure 2.1.</p> <p>[Provide details of the differences.]</p>

2.5	<p>Switches</p> <p>Obtain a list from the [Fund administrator/[insert the name and designation of the representative of the Fund]] of the members who switched investment portfolios during the [period/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 [period/ year] (selected based on the selection criteria provided above), and perform the following procedures:</p>	<p>We obtained a list from the [Fund administrator/[insert the name and designation of the representative of the Fund]] of the members who switched investment portfolios during the [period/year-end] (including lifestage switches), selected a sample of [insert the number of items] members, and performed the following procedures:</p>
2.5.1	<p>Obtain the [service level agreement / client mandate between the administrator and the Fund] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and note the following terms:</p> <ul style="list-style-type: none"> • Days indicated to process a member-elected switch. • Timing to effect a lifestage switch. • Fees deductible from the member individual accounts to process a switch. 	<p>We obtained the [service level agreement / client mandate between the administrator and the Fund] from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. We noted the following terms:</p> <ul style="list-style-type: none"> • [Insert the number of days/business days] to process a member-elected switch. • [Insert details of the timing to effect the lifestage switches. • [Insert the rand value] is deductible from the member individual accounts to process a switch.
2.5.2	<p>Member-elected switches</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/[insert the name and designation of the representative of the Fund]], and perform the following procedures:</p>	<p>Member-elected switches</p> <p>Not applicable, as there were no member-elected switches noted in the sample selected in procedure 2.5.</p> <p style="text-align: center;">OR</p> <p>For member-elected switches included in the sample selected in procedure 2.5, we obtained the member's instruction to switch investment portfolios from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and performed the following procedures:</p>

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"> • Date of receipt of the member's instruction by the Fund administrator/[insert the name and designation of the representative of the Fund]; • Effective date of the switch; and • Investment portfolio to be switched into. 	<p>Not applicable, as there were no member-elected switches noted in the sample selected in procedure 2.5.</p> <p style="text-align: center;">OR</p> <p>We inspected the member's instruction for details of the required switch and noted the following details per the instruction:</p> <ul style="list-style-type: none"> • Date of receipt of the member's instruction by the Fund administrator/[insert the name and designation of the representative of the Fund]; • Effective date of the switch; and • Investment portfolio to be switched into.
2.5.2.2	<p>Inspect the member's fund credit transactions on the administration system obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and note the following details about the switch:</p> <ul style="list-style-type: none"> • Date when the switch was processed by the Fund administrator/[insert the name and designation of the representative of the Fund]; • Effective date of the switch; and • Investment portfolios switched into. 	<p>We inspected the member's fund credit transactions from the administration system obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and did not note any member-elected switches in the sample selected in procedure 2.5.</p> <p style="text-align: center;">OR</p> <p>We inspected the member's fund credit transactions from the administration system obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and noted the following details about the switch:</p> <ul style="list-style-type: none"> • Date when the switch was processed by the [Fund administrator/[insert the name and designation of the representative of the Fund]]; • Effective date of the switch; and • Investment portfolios switched into.
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 note any exceptions with regard to the date of switch and/or when the portfolios switched.</p>	<p>The effective date of the switch noted in procedure 2.5.2.1 [agreed/did not agree] to the effective date of the switch noted in procedure 2.5.2.2.</p> <p>[Provide details of the exceptions.]</p>

		<p>The investment portfolios switched into and noted in procedure 2.5.2.1 [agreed/did not agree] to the investment portfolios switched into noted in procedure 2.5.2.2.</p> <p>[Provide details of the exceptions.]</p>
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"> • Date of receipt of the member's instruction by the [Fund administrator/[insert the name and designation of the representative of the Fund]] noted in procedure 2.5.2.1. • Date when the switch was processed by the [Fund administrator/[insert the name and designation of the representative of the Fund]] noted in procedure 2.5.2.2. 	<p>We calculated the number of days taken to process the switch using the following:</p> <ul style="list-style-type: none"> • Date of receipt of the member's instruction by the [Fund administrator/[insert the name and designation of the representative of the Fund]] noted in procedure 2.5.2.1. • Date when the switch was processed by the [Fund administrator/[insert the name and designation of the representative of the Fund]] noted in procedure 2.5.2.2.
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 / client mandate 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 / client mandate between the administrator and the Fund].</p>	<p>We [agreed/did not agree] the number of days taken to process the switch per procedure 2.5.2.4 with the number of days in the terms per the [service level agreement / client mandate between the administrator and the Fund] in 2.5.1.</p> <p>[No instances/instances] were noted where the number of days taken to process the switch was greater than the terms per the [service level agreement / client mandate between the administrator and the Fund].</p> <p>[Provide details of the differences.]</p>
2.5.3	<p>Lifestage switches</p> <p>Obtain the Fund's lifestage investment strategy from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]].</p>	<p>Lifestage switches</p> <p>Not applicable, as there were no lifestage switches noted in the sample selected in procedure 2.5.</p> <p style="text-align: center;">OR</p> <p>We obtained the Fund's lifestage investment strategy from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]].</p>
2.5.3.1	<p>For lifestage switches included in the sample selected in procedure 2.5, perform the following procedures:</p>	<p>Not applicable, as there were no Lifestage switches noted in the sample selected in procedure 2.5.</p>

		<p>OR</p> <p>For lifestage switches included in the sample, we performed the following procedures:</p>
2.5.3.2	<p>Inspect the member's fund credit transactions on the administration system obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and note the following details about the lifestage switch:</p> <ul style="list-style-type: none"> • Date when the lifestage switch was processed by the [Fund administrator/[insert the name and designation of the representative of the Fund]]; and • Investment portfolios switched into. 	<p>We inspected the member's fund credit transactions on the administration system obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and noted the following details about the lifestage switch:</p> <ul style="list-style-type: none"> • Date when the lifestage switch was processed by the [Fund administrator/[insert the name and designation of the representative of the Fund]]; and • Investment portfolios switched into.
2.5.3.3	<p>Agree the investment portfolios switched into and noted in procedure 2.5.3.2 to the Fund's lifestage investment strategy obtained in procedure 2.5.3.</p>	<p>The investment portfolios switched into and noted in procedure 2.5.3.2 [agreed/did not agree] to the Fund's lifestage investment strategy obtained in procedure 2.5.3.</p>
2.5.3.4	<p>Agree the timing of the lifestage switch per 2.5.3.2 with the terms per the [service level agreement / client mandate between the administrator and the Fund] in 2.5.1.</p> <p>Note any difference in timing.</p>	<p>The timing of the lifestage switch per 2.5.3.2 [agreed/did not agree] with the terms per the [service level agreement / client mandate between the administrator and the Fund] in 2.5.1.</p> <p>[Provide details of the differences in timing.]</p>
2.5.4.	<p>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 / client mandate] (obtained in procedure 2.5.1). Note any differences.</p>	<p>Not applicable, as there were no switches noted in the sample selected in procedure 2.5.</p> <p>OR</p> <p>For all the switches selected in procedure 2.5, we inspected the member's record on the administration system and did not note any fees relating to switches that were deducted.</p> <p>OR</p> <p>We inspected the member's record on the administration system for the switches selected in procedure 2.5; and for those switches in respect of which fees were deducted, and the fees that were deducted</p>

		<div>[agreed/did not agree] to the fee due in terms of a [service level agreement / client mandate] obtained in procedure 2.5.1.</div> <div>[Provide details of the differences.]</div>						
2.6	Obtain the Asset Liability Match (“ALM”) reconciliation per investment portfolio / product / category as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform the following procedures:	We obtained the ALM reconciliation per investment portfolio / product / category as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and performed the following procedures:						
2.6.1	Obtain a reconciliation of the total investment balance per investment portfolio / product / category as reflected on the ALM reconciliation to the total balance per the list of investments obtained in procedure 1.1 from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. Note any reconciling items.	<div>We obtained a reconciliation of the total investment balance per investment portfolio / product / category as reflected on the ALM reconciliation to the total balance per the list of investments obtained in procedure 1.1 from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. [No reconciling items were noted. / The following reconciling items were noted:]</div> <div>[Insert the table to illustrate the difference noted.]</div> <table><tr><td></td><td>R</td></tr><tr><td>Total investments as per the ALM reconciliation</td><td></td></tr><tr><td>Total investments as</td><td></td></tr></table>		R	Total investments as per the ALM reconciliation		Total investments as	
	R							
Total investments as per the ALM reconciliation								
Total investments as								

		<table><tr><td>per the list of investments</td><td></td></tr><tr><td>Difference</td><td></td></tr><tr><td>Insert details of the reconciling items (if applicable)</td><td></td></tr></table>	per the list of investments		Difference		Insert details of the reconciling items (if applicable)					
per the list of investments												
Difference												
Insert details of the reconciling items (if applicable)												
2.6.2	<p>Obtain a reconciliation of the total member individual accounts value per investment portfolio / product / category as reflected on the ALM reconciliation to the total member individual accounts value as per the listing obtained in procedure 2.1. from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>Note any reconciling items.</p>	<p>We obtained a reconciliation of the total member individual accounts value per investment portfolio / product / category as reflected on the ALM reconciliation to the total member individual accounts value as per the listing obtained in procedure 2.1 from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. [No reconciling items were noted. / The following reconciling items were noted:]</p> <p>[Insert the table to illustrate the difference noted.]</p> <table><tr><td></td><td>R</td></tr><tr><td>Total member individual accounts value as per the ALM reconciliation</td><td></td></tr><tr><td>Total member individual accounts value as per the listing</td><td></td></tr><tr><td>Difference</td><td></td></tr><tr><td>Insert details of the reconciling items (if applicable)</td><td></td></tr></table>		R	Total member individual accounts value as per the ALM reconciliation		Total member individual accounts value as per the listing		Difference		Insert details of the reconciling items (if applicable)	
	R											
Total member individual accounts value as per the ALM reconciliation												
Total member individual accounts value as per the listing												
Difference												
Insert details of the reconciling items (if applicable)												
2.6.3	<p>Inspect the total difference between assets and liabilities reflected on the ALM and note whether the variance is larger than 2% of total</p>	<p>We inspected the total difference between assets and liabilities reflected on the ALM and noted that the variance [is/is not] larger</p>										

	assets of the Fund per the Statement of Net Assets and Funds.	than 2% of total assets of the Fund per the Statement of Net Assets and Funds.
3	Surplus apportionment in terms of Section 15C (this will include reserve account distributions)	
3.1	Inquire from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]] when the actuarial valuation of the Fund was last performed and approved by the Board of Fund. Note the date of the last valuation and when it was approved by the Board of Fund.	We inquired from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]] and noted that the actuarial valuation of the Fund was last performed as at [insert the date] and approved by the Board of Fund on [insert the date].
3.1.1	Obtain the actuarial valuation report of the Fund from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]] and inspect the valuation report for a Section 15C surplus apportionment. If applicable, note the surplus apportionment amount/value.	<p>We obtained the actuarial valuation report of the Fund from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]] and inspected the valuation report for a Section 15C surplus apportionment.</p> <p>[We noted no Section 15C surplus apportionment in the actuarial valuation report.]</p> <p>[We noted a Section 15C surplus apportionment in the actuarial valuation report. The amount/value of the Section 15C surplus was [insert the amount].</p>
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/[insert the name and designation of the representative of the Fund]] and inspect for the approval of the Section 15C surplus.	<p>Not applicable. We noted no surplus apportionment in the actuarial valuation report obtained in procedure 3.1.1.</p> <p style="text-align: center;">OR</p> <p>For a surplus apportionment recommended per the actuarial valuation report in procedure 3.1.1, we obtained the minutes of meetings of the Board of Fund from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and inspected for the approval of the Section 15C surplus.</p>
3.2	Surplus apportionment allocation Obtain a list of approved surplus allocations to active and/or former members and/or pensioners in the current [period/year] noted	Not applicable. No surplus allocations to active and/or former members and/or pensioners in the current [period/year] were noted in procedure 3.1.1.

	in procedure 3.1.1, from the [Fund administrator/Fund's actuary/Principal Officer/insert the name and designation of the representative of the Fund], and perform the following procedures:	<p>OR</p> <p>We obtained a list of approved surplus allocations to active and/or former members and/or pensioners in the current [period/year] noted in procedure 3.1.1, from the [Fund administrator/Fund's actuary/Principal Officer/[insert the name and designation of the representative of the Fund]], and performed the following procedures:</p>
3.2.1	<p>Active members</p> <p>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 [period/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>	<p>Not applicable. No surplus allocations to active members in the current [period/year] were noted in procedure 3.2.</p> <p>OR</p> <p>We selected a sample of [insert the number of items] active members to whom surplus has been allocated in the current [period/year] per the approved surplus apportionment listing obtained in procedure 3.2, and performed the following procedures:</p>
3.2.1.1	Inspect the listing for the date of allocations to active members in the current [period/year] and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.	<p>Not applicable. No surplus allocations to active members in the current [period/year] were noted in procedure 3.2.</p> <p>OR</p> <p>We inspected the listing for the date of allocations in the current [period/year] and noted that, for the active members selected, [no / the following] investment returns were allocated from the surplus apportionment approval date to the date of allocation.</p> <p>[Provide details.]</p>
3.2.1.2	Agree the surplus amount allocated as per the listing (including investment return) in the current [period/year] per member to the allocation on the member records per the administration system, and note any differences.	<p>Not applicable. No surplus allocations to active members in the current [period/year] were noted in procedure 3.2.</p> <p>OR</p> <p>The surplus amount allocated as per the listing (including investment return) in the current [period/year] per member [agreed/did not agree] to the allocation on the member records per the administration system.</p>

		[Provide details of the differences.]
3.2.2	<p>Former members and pensioners allocations</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 [period/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>	<p>Not applicable. No surplus allocations to former members and/or pensioners in the current [period/year] were noted in procedure 3.2.</p> <p>OR</p> <p>We selected a sample of [insert the number of items] of former members and/or pensioners to whom surplus has been allocated in the current [period/year] per the approved surplus apportionment listing obtained in procedure 3.2, and performed the following procedures:</p>
3.2.2.1	<p>Inspect the listing for the date of allocations to former members and pensioners in the current [period/year] and note whether any investment return was allocated from the surplus apportionment approval date to the date of allocation.</p>	<p>Not applicable. No surplus allocations made to former members/pensioners in the current [period/year] were noted in procedure 3.2.</p> <p>OR</p> <p>We inspected the listing for the date of allocations in the current [period/year] and noted that for the former members and/or pensioners selected, [no / the following] investment returns were allocated from the surplus apportionment approval date to the date of allocation.</p> <p>[Provide details.]</p>
3.2.2.2	<p>Agree the surplus amount allocated (including investment return) in the current [period/year] per former member and/or pensioner to the allocation on the member records per the administration system, and note any differences.</p>	<p>Not applicable. No surplus allocations made to former members and/or pensioners in the current [period/year] were noted in procedure 3.2.</p> <p>OR</p> <p>The surplus amount allocated (including investment return) in the current [period/year] per former member and/or pensioner (agreed/did not agree) to the allocation on the member records per the administration system.</p> <p>[Provide details of the differences.]</p>
3.3	<p>Surplus apportionment payments</p> <p>Obtain a list of all surplus apportionment payments made to members during the</p>	<p>Not applicable. No surplus apportionment payments were made to members during the year.</p>

	[period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and select a sample of the lesser of 50 or 10% of the number of payments (selected based on the selection criteria provided above), and perform the following procedures:	OR We obtained a list of all surplus apportionment payments made to members during the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and selected a sample of [insert the number of items] payments, and performed the following procedures:
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 record on the administration system, and note any differences.	The amount paid to the member as per the list of surplus apportionment payments obtained in procedure 3.3 [agreed/did not agree] to the member's record on the administration system. [Provide details of the differences.]
3.3.2	Obtain the [insert the name of the document(s) that indicates authorisation of the payment] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and agree the amount authorised to the amount paid as per the list of surplus apportionment payments obtained in procedure 3.3. Note any differences.	We obtained the [insert the name of the document(s) that indicates authorisation of the payment] from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. The amount authorised [agreed/did not agree] to the amount paid as per the list of surplus apportionment payments obtained in procedure 3.3. [Provide details of the differences.]
4	Reserves	
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 reserves note [insert the note number] to the [audited/unaudited*] annual financial statements from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform the following procedures:	Not applicable. No reserve accounts and other related accounts (e.g. pensioner accounts) were noted. OR We obtained a list of reserves and other related accounts (e.g. pensioner accounts) and the movements (including debit and credit transactions) per reserves note [insert the note number] to the [audited/unaudited*] annual financial statements from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and performed the following procedures:
4.2	Obtain the registered rules of the Fund from the [Fund administrator/[insert the name and	We obtained the registered rules of the Fund from the [Fund administrator/[insert the

	designation of the representative of the Fund]].	name and designation of the representative of the Fund]].
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 [insert the rule number] of the registered rules.	We inspected the registered rules of the Fund obtained in procedure 4.2 and noted reserve and other related accounts (e.g. pensioner accounts) and the debit and credit transactions allowed in the reserve and other related accounts (e.g. pensioner accounts) listed in rule [insert the rule number] 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 (e.g. pensioner 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 / noted the following exceptions:] [Provide details of the 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 related accounts as noted in procedure 4.3. Note any exceptions.	We compared the description of all the debit and credit transactions allocated to the reserve and other related accounts, as reflected in the listing obtained in 4.1 above, to the categories of transactions that are permitted to be allocated to reserves and other related accounts as noted in procedure 4.3 and [noted no exceptions / noted the following exceptions:] [Provide details of the exceptions.]
5	Guarantees	
5.1	Housing loan guarantees Obtain the loan agreement between the Fund and the financial institution from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. 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 rule [insert the rule number] of the registered rules and/or the loan agreement, and note the percentage.	Not applicable. The Fund does not grant housing loans to members of the Fund in terms of Section 19(5) of the Act. OR We obtained the loan agreement between the Fund and the financial institution from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. We inspected 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 rule [insert the rule

		number] of the registered rules and/or the loan agreement, and noted [insert the percentage].
5.2	Obtain a list of all housing loan guarantee balances granted to members from the loan provider as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and select a sample of the lesser of 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. OR We obtained the list of housing loan guarantee balances granted to members from the loan provider as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], selected a sample of [insert the number of items] of the housing loan guarantees, and performed the following procedures:
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.	We inspected the member's record on the administration system and noted that the member's record [was/was not] flagged as having a housing loan guarantee.
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.	We divided the loan amount granted, as noted on the listing in 5.1.1 above, with the member's individual account balance as per the listing in 2.1. [No instances were noted. / The following instances were noted where the percentage calculated exceeded the maximum allowable percentage noted in 5.1.] [Provide details of the differences.]
	Statement of Changes in Net Assets and Funds	
6	Contributions – not applicable for preservation funds	
6.1	Obtain a list of contributing members' contributions (per month) for the period/year on the fund administration system, from the [Fund administrator/[insert the name and designation of the representative of the Fund]] (including the investment portfolio(s) selected by the member), that reconcile to the contributions note [insert the note number] of the [audited/unaudited*] annual financial statements, and select a sample of the lesser	We obtained a list of contributing members' contributions (per month) for the period/year from the [Fund administrator/[insert the name and designation of the representative of the Fund]] (including the investment portfolio(s) selected by the member) that reconciled to the contributions note [insert the note number] of the [audited/unaudited*] annual financial statements, and selected a sample of [insert the number of items] of the

	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:	number of contributing members and performed the following procedures for each member and month selected under procedure 2.3:
6.2	Agree the total amount of contributions per the list above to the general ledger account number [insert the account number] and note any differences.	The total amount of contributions per the list above [agreed/did not agree] to the general ledger account number [insert the account number]. [Provide details of the differences.]
6.3	Inspect the [policy/new entrant certificate] obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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.	We inspected the [policy/new entrant certificate] obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and [agreed/did not agree] the contributions amount as per the listing obtained in procedure 6.1 to the contributions amount noted on the [policy/new entrant certificate]. [Provide details of the differences.]
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/[insert the name and designation of the representative of the Fund]] and perform the following procedures: <ul style="list-style-type: none"> • 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. • 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. 	We obtained 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/[insert the name and designation of the representative of the Fund]] and performed the following procedures: <ul style="list-style-type: none"> • We [agreed/did not 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. [Provide details of the differences.] We agreed 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. [Provide details of the differences.]

6.5	For the sample of members' contributions (per month) selected in 6.1 above, obtain the bank statements from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and inspect the bank statements for a description of or identification of the bank where the contributions were deposited, and perform the following procedure:	For the sample of members' contributions (per month) selected in 6.1 above, we obtained the bank statements from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and inspected the bank statements for a description of or identification of the bank where the contributions were deposited, and performed 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.	No instances were noted where the total contribution amount received did not agree to the amount per the bank statement. OR We [agreed/did not agree] the total contribution amount obtained in procedure 6.4 to the total amount reflected on the bank statement obtained in procedure 6.5. [Provide details of the differences.]
7.	Benefits	
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 [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform the following procedure:	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 [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], 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/did not agree] to the respective general ledger benefit expense accounts reconciliation prepared by the Fund administrator. [Provide details of the differences.]
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/[insert the name and designation of the representative of the	From the list obtained in 7.1, we selected a sample of [insert the number of items] per exit type, pro-rated on the number of exits. We obtained the member statements from the administration system from the [Fund administrator/[insert the name and designation of the representative of the

	Fund]], and perform the following procedures on the sample selected:	Fund]], and performed the following procedures on the sample selected:
7.2.1	<p>For each selected benefit compare the following fields:</p> <ul style="list-style-type: none"> • Gross benefit amount; • Tax amount; • Net benefit amount; • Exit date; and • Type of benefit <p>to the administration system and the [insert the authorised supporting documentation, such as the signed member exit form and SARS Tax Directives] determined by the procedures of the Fund. Note any differences.</p> <p>Exit date:</p> <p>i. Agree the exit date per the member's withdrawal form obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] to the exit date reflected on the administration system. Note any differences.</p> <p>Tax amount:</p> <p>i. Agree the tax amount related to the benefit per the tax directive obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] to the tax amount deducted as reflected on the administration system. Note any differences.</p>	<p>We compared each benefit selected to the administration system and the [insert the authorised supporting documentation, such as the signed member exit form and SARS Tax Directives inspected] in accordance with the procedures of the Fund for the following fields:</p> <ul style="list-style-type: none"> • Gross benefit amount; • Tax amount; • Net benefit amount; • Exit date; and • Type of benefit. <p>We [noted no differences / noted the following differences:]</p> <p>[Provide details of the differences.]</p> <p>Exit date:</p> <p>The exit date as reflected on the member's withdrawal form obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] [agreed/did not agree] to the exit date reflected on the administration system.</p> <p>[Provide details of the differences.]</p> <p>Tax amount:</p> <p>The tax amount related to the benefit per the tax directive obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and [agreed/did not agree] to the tax amount deducted as reflected on the administration system.</p> <p>[Provide details of the differences.]</p>
7.2.2	<p>Retirement annuity funds</p> <p>For members who were active during the period/year ended, perform the following procedures:</p>	<p>For members who were active, we performed the following procedures:</p> <p>i. We obtained the opening fund credit amount as at the beginning of the period/year from the member record on</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/[insert the name and designation of the representative of the Fund]] 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/[insert the name and designation of the representative of the Fund]] 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/[insert the name and designation of the representative of the Fund]] about the nature of any differences noted in iii and note the responses.</p> <p>Preservation funds</p> <p>For members who were active, perform the following procedures:</p> <p>i. Obtain the bank statements reflecting the benefit payment(s) from the [Fund administrator/[insert the name and designation of the representative of the Fund]] 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/[insert the name and</p>	<p>the administration system, from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and performed procedure iii.</p> <p>ii. We inspected the member records on the administration system and noted that monthly contributions up to the date of exit (as per 7.2.1) were added to the member record.</p> <p>[Provide details of the exceptions.]</p> <p>iii. We obtained the bank statements reflecting the benefit payment(s) from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. The net benefit amount(s) as per procedure 7.2.1 [agreed/did not agree] to the bank statements</p> <p>[Provide details of the differences.]</p> <p>iv. Not applicable, as no differences were noted in iii.</p> <p style="text-align: center;">OR</p> <p>We inquired with the [Fund administrator/[insert the name and designation of the representative of the Fund]] about the nature of any differences noted in iii, and noted the following responses obtained:</p> <p>[Provide details of the differences and responses received.]</p> <p>Preservation funds</p> <p>For members who were active, we performed the following procedures:</p> <p>We obtained the bank statements reflecting the benefit payment(s) from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. The net benefit amount(s) as per procedure 7.2.1 [agreed/did not agree] to the bank statements.</p> <p>[Provide details of the differences.]</p>
--	---	--

	<p>designation of the representative of the Fund]] about the nature of any differences noted in i and note the responses provided (e.g. interest where applicable).</p> <p>For members who were paid up and/or deferred, perform the following procedures:</p> <ul style="list-style-type: none"> i. Obtain the opening fund credit amount as at the beginning of the period/year from the member record on the administration system. 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. iii. Obtain the bank statements reflecting the benefit payment(s) from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and agree the net benefit amount(s) as per procedure 7.2.1 to the bank statements, and note any differences. iv. Inquire with the [Fund administrator/[insert the name and designation of the representative of the Fund]] about the nature of any differences noted in iii and note the responses provided (e.g. interest where applicable). 	<ul style="list-style-type: none"> ii. Not applicable, as no differences were noted in i. <p style="text-align: center;">OR</p> <p>We inquired with the [Fund administrator/[insert the name and designation of the representative of the Fund]] about the nature of any differences noted in i.</p> <p>[Provide details of the differences and responses received.]</p> <p>For members who were paid up and/or deferred, we performed the following procedures:</p> <ul style="list-style-type: none"> i. We obtained the opening fund credit amount as at the beginning of the period/year from the member record on the administration system. ii. We inspected the member records on the administration system and noted that interest for the period up to the date of exit (as per 7.2.1) were added to the member record as per the administration. <p>[Provide details of the exceptions.]</p> <ul style="list-style-type: none"> iii. We obtained the bank statements reflecting the benefit payment(s) from [Fund administrator/[insert the name and designation of the representative of the Fund]]. The net benefit amount(s) as per procedure 7.2.1 [agreed/did not agree] to the bank statements. <p>[Provide details of the differences.]</p> <ul style="list-style-type: none"> iv. Not applicable, as no differences were noted in iii. <p style="text-align: center;">OR</p> <p>We inquired with the [Fund administrator/[insert the name and designation of the representative of the Fund]] about the nature of any differences noted in ii.</p>
--	---	--

		[Provide details of the nature of the differences and responses received.]
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/[insert the name and designation of the representative of the Fund]] to note that the member record was updated with the surplus amount.	<p>Not applicable. The Fund does not have an investment reserve account.</p> <p style="text-align: center;">OR</p> <p>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, we inspected the member's fund credit transactions on the administration system obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and noted that the member record [was updated/was not updated] with the surplus amount.</p>
7.2.4	<p>For preservation funds</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"> 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. 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. 	<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"> We inspected the member record on the administration system and noted that the withdrawal prior to the retirement age [was/was not] the first withdrawal for the member, in line with the restrictions on withdrawals as set out in the Income Tax Act. We inspected the member record on the administration system and confirmed that the member record [was updated/was not updated] for the reduction in service, the reduction in benefit and [was/was not] appropriately flagged as having received the one withdrawal. <p>[Provide details of the exceptions.]</p>
7.3	Obtain a list of current and unclaimed benefits payable, as disclosed in the Statement of Net Assets and Funds, as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]]], and select a sample of the lesser of 50 or 10% of the total number of benefits from	We obtained a list of the current and unclaimed benefits payable as disclosed in the Statement of Net Assets and Funds as at [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]]], selected a sample [insert the number of items] of the total number of benefits from

	the list (selected based on the selection criteria provided above), and perform the following procedure:	the list, and performed the following procedure:
7.3.1	<p>For the sample selected above (excluding death benefits), calculate the number of months that benefit has been unpaid, using the date of exit as the starting month.</p> <p>If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit.</p> <p>If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable.</p> <p>Note any exceptions, if incorrectly classified.</p>	<p>For the sample selected above, we calculated the number of months that benefit has been unpaid, using the date of exit as the starting month, and noted the following:</p> <p>No exceptions were noted where the benefits were not classified in the correct category.</p> <p style="text-align: center;">OR</p> <p>The following exceptions were noted where the benefits were incorrectly classified:</p> <p>[Provide details of the exceptions.]</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/[insert the name and designation of the representative of the Fund]].</p> <p>If the benefit is older than 24 months, inspect the listing to confirm that the benefit is classified as an unclaimed benefit.</p> <p>If the benefit is less than 24 months unpaid, inspect the listing to confirm that the benefit is classified as benefits payable.</p> <p>Note any exceptions, if incorrectly classified.</p>	<p>For the sample selected above relating to death benefits, we calculated the number of months that benefit has been unpaid, using the date of the approved death benefit distribution per the Board of Fund approval obtained from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and noted the following:</p> <p>No exceptions were noted where the benefits were not classified in the correct category.</p> <p style="text-align: center;">OR</p> <p>The following exceptions were noted where the benefits were incorrectly classified.</p> <p>[Provide details of the exceptions.]</p>
8.	Transfers	
8.1	Obtain separate lists of Section 14 transfers to and from the Fund throughout the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and agree the totals of the lists to the amounts reflected in the "Transfers into the Fund" and "Transfers from the Fund" notes [insert the note number] and note [insert the note number] to the [audited/unaudited*]	<p>Not applicable. There were no Section 14 transfers to and from the Fund.</p> <p style="text-align: center;">OR</p> <p>We obtained separate lists of Section 14 transfers to and from the Fund from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and noted that the totals of the lists [agreed/did not agree] to the amounts reflected in the "Transfers into the Fund" and</p>

	annual financial statements. Note any differences.	<p>“Transfers from the Fund” notes [insert the note number] and note [insert the note number] to the [audited/unaudited*] annual financial statements.</p> <p>[Provide details of the differences.]</p>
8.2	From the list of Section 14 transfers to and from the Fund throughout the [period/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:	From the list of Section 14 transfers to and from the Fund throughout the [period/year], we selected a sample of [insert the number of items] of the number of transfers in and [insert the number of items] of the number of transfers out, and performed the following procedures:
8.2.1	<p>Obtain the following Section 14 documentation from the [Fund administrator/[insert the name and designation of the representative of the Fund]]:</p> <p>a. Section 14 (1) transfers: The Section 14(1) application, approval letter from the Authority and Form G in respect of each transfer; and/or</p> <p>b. Section 14 (8) transfers: The Section 14(8) Form H and J, as prescribed.</p> <p>Agree the following information per the listings to the documentation received:</p> <ul style="list-style-type: none"> • Name of transferor/transferee fund; • Effective date; • Approval date; • Number of members; • Transfer amount; and • Growth and investment return. <p>Note any exceptions.</p>	<p>We obtained the Section 14 documentation from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>The details per the documentation [agreed/did not agree] to the following information per the listings:</p> <ul style="list-style-type: none"> • Name of transferor/transferee fund; • Effective date; • Approval date; • Number of members; • Transfer amount; and • Growth and investment return. <p>[Provide details of the exceptions.]</p>
8.2.2	<p>Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>Recalculate the number of days between the date of approval (as per the Authority</p>	<p>We obtained the bank statements for the date of receipt/payment of the Section 14 transfers from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>We recalculated the number of days between the date of approval (as per the</p>

	<p>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"> • Not received/paid within 60 days of Authority approval for Section 14(1) transfers; • Not received/paid within 180 days from the effective date for Section 14(8) transfers; and • Not received/paid within the period as noted in the blanket transfer documentation, but not after 60 days from the blanket transfer end date. 	<p>Authority approval obtained in 10.2.1) and the day of the receipt/payment as per the bank statement and the receipts/payments [were/were not] made within the required periods.</p> <p>[Provide details of the exceptions.]</p>
8.2.3	<p>Inquire from the [Fund administrator/[insert the name and designation of the representative of the Fund]] if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. Note any exceptions.</p>	<p>We inquired from the [Fund administrator/[insert the name and designation of the representative of the Fund]] if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. We noted that the growth and investment return [was/was not] allocated.</p> <p>[Provide details of the exceptions.]</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 [insert the number of items] of the number of members, and performed the following procedures:</p>
8.3.1	<p>In respect of unitised funds</p> <p>Recalculate the purchase of units for the amount received by dividing the amount transferred per the listing by the unit price per the administration system on the date of receipt. Agree the recalculated units to the number of units allocated to the member's individual account on the administration system. Note any differences.</p> <p>In respect of non-unitised funds</p> <p>Agree the transfer amount received per the listing to the amount allocated to the</p>	<p>In respect of unitised funds</p> <p>We recalculated the purchase of units for the amount received by dividing the amount transferred per the listing by the unit price per the administration system on the date of receipt. The recalculated units [agreed/did not agree] to the units per the administration system.</p> <p>[Provide details of the differences.]</p> <p>In respect of non-unitised funds</p>

	member's individual account on the administration system. Note any differences.	The transfer amount [agreed/did not agree] to the member's individual account on the administration system. [Provide details of the differences.]
8.4	<p>Individual transfers in</p> <p>Obtain the list of individual transfers in throughout the [period/year] ended [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], 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>Individual transfers in</p> <p>Not applicable. There were no individual transfers in throughout the [period/year] ended [insert the period/year-end date].</p> <p style="text-align: center;">OR</p> <p>We obtained the list of individual transfers in throughout the [period/year] ended [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], selected a sample of [insert the number of items] of the number of individual transfers, and performed the following procedures:</p>
8.4.1	Obtain the recognition of transfer documentation submitted by the transferor fund to the Fund from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. Agree the effective date and amount transferred to the recognition of transfer documentation. Note any exceptions.	We obtained the recognition of transfer documentation submitted by the transferor fund to the Fund from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. The effective date and amount transferred [agreed/did not agree] to the recognition of transfer documentation. [Provide details of the exceptions.]
8.4.2	<p>In respect of unitised funds</p> <p>Recalculate the purchase of units for the amount received by dividing the amount transferred per the listing by using the unit price per the administration system on the date of receipt. Agree the recalculated units to the number of units allocated to the member's individual account on the administration system. Note any differences.</p> <p>In respect of non-unitised funds</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>In respect of unitised funds</p> <p>We recalculated the purchase of units for the amount received by dividing the amount transferred per the listing by the unit price per the administration system on the date of receipt. The recalculated units [agreed/did not agree] to the units per the administration system. [Provide details of the differences.]</p> <p>In respect of non-unitised funds</p> <p>The transfer amount received per the listing [agreed/did not agree] to member's</p>

		individual account on the administration system. [Provide details of the differences.]
8.5	Unclaimed benefit payments Obtain a list of unclaimed benefits paid during the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform the following procedures:	Unclaimed benefit payments We obtained a list of unclaimed benefits paid during the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and performed the following procedures:
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/[insert the name and designation of the representative of the Fund]].	The total of the list of payments [agreed/did not agree] to the respective general ledger unclaimed benefits accounts reconciliation prepared by the [Fund administrator/[insert the name and designation of the representative of the Fund]]. [Provide details of the differences.]
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:	We selected a sample of [insert the number of items] of the total number of unclaimed benefits paid from the list, and performed the following procedure:
8.5.2.1	For each selected unclaimed benefit paid compare the following fields as reflected on the administrator's listing: <ul style="list-style-type: none"> • Gross benefit amount; • Tax amount; and • Late payment interest (if applicable) to the administration system and the [insert the authorised supporting documentation, such as the signed member exit form and SARS Tax Directives].	We compared each selected unclaimed benefit paid to the administration system and the [insert authorised supporting documentation] for the following fields: <ul style="list-style-type: none"> • Gross benefit amount; • Tax amount; and • Late payment interest (if applicable).
8.6	Unclaimed benefit transfers Obtain a list of unclaimed benefits Section 14 transfers during the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and from the list of unclaimed benefits Section 14 transfers paid/accrued from the	Unclaimed benefit transfers We obtained a list of unclaimed benefits Section 14 transfers during the [period/year] from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and from the list of unclaimed benefits Section 14 transfers paid / accrued

	<p>Fund throughout the [period/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>	<p>from the Fund throughout the [period / year], we selected a sample of [insert the number of items] of the number of transfers out [insert the number of items], and performed the following procedures:</p>
8.6.1	<p>Obtain the following Section 14 documentation from the [Fund administrator/[insert the name and designation of the representative of the Fund]]:</p> <ol style="list-style-type: none"> Section 14(1) transfers: The Section 14(1) application, approval letter from the Authority and Form G in respect of each transfer; and/or Section 14(8) transfers: The Section 14(8) Form H and J, as prescribed. <p>Agree the following information per the listings to the documentation received:</p> <ul style="list-style-type: none"> Name of transferor/transferee fund; Effective date; Approval date; Number of members; Transfer amount; and Growth and investment return. <p>Note any exceptions.</p>	<p>We obtained the Section 14 documentation from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>The details per the documentation [agreed/did not agree] to the information per the listings:</p> <ul style="list-style-type: none"> Name of transferor/transferee fund; Effective date; Approval date; Number of members; Transfer amount; and Growth and investment return. <p>[Provide details of the exceptions.]</p>
8.6.2	<p>Obtain the bank statements for the date of receipt/payment of the Section 14 transfers from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>Recalculate the number of days between the date of approval (as per the Authority approval obtained in 10.2.1) and the day of receipt/payment as per the bank statement.</p> <p>Note any exceptions where the unclaimed benefits Section 14 transfers from the Fund were:</p> <ul style="list-style-type: none"> Not paid within 60 days of Authority approval for Section 14(1) transfers; and 	<p>We obtained the bank statements for the date of receipt/payment of the Section 14 transfers from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>We recalculated the number of days between the date of approval (as per the Authority approval obtained in 10.2.1) and the day of the receipt/payment as per the bank statement, and receipts/payments [were/were not] made within the required periods.</p> <p>[Provide details of the exceptions.]</p>

	<ul style="list-style-type: none"> Not paid within 180 days from the effective date for Section 14(8) transfers. 	
8.6.3	Inquire from the [Fund administrator/[insert the name and designation of the representative of the Fund]] if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. Note any exceptions.	<p>We inquired from the [Fund administrator/[insert the name and designation of the representative of the Fund]] if the growth and investment return had been allocated from the effective date of the transfer to the date of the final settlement. We noted that the growth and investment return [was/was not] allocated.</p> <p>[Provide details of the exceptions.]</p>
9	Pensioners paid	
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 [insert the note number] as reflected in the [audited/unaudited*] annual financial statements from the [Fund administrator/[insert the name and designation of the representative of the Fund]] for the period/year ended [insert the period/year-end], and perform the following procedures:	<p>Not applicable. The Fund did not make pensioner payments.</p> <p style="text-align: center;">OR</p> <p>We obtained the pensioner payment reconciliation (inclusive of in-fund annuities purchased in the name of the fund and living annuities) for pensions reflected as expenses in the Benefits note [insert the note number] as reflected in the [audited/unaudited*] annual financial statements from the [Fund administrator/[insert the name and designation of the representative of the Fund]] for the period/year ended [insert the period/year-end] and performed the following procedures:</p>
9.1.1	Agree the total pension expense per the reconciliation to the total pension expense per the pension expenses general ledger account [insert the general ledger account number]. Note any differences and/or unexplained reconciliation items.	<p>The total pension expense per the reconciliation [agreed/did not agree] to the pension expenses general ledger account [insert the general ledger account number].</p> <p>[Provide details of the differences and/or unexplained reconciling items.]</p>
9.2	<p>In-fund pensioners</p> <p>Obtain a detailed pensioner payroll listing reflecting the pensioner's name, identification number and monthly pension amount for the [period/year] ended [insert the period/year-end] from the [Fund administrator/[insert the name and designation of the representative of</p>	<p>In-fund pensioners</p> <p>We obtained a detailed pensioner payroll listing reflecting the pensioner's name, identification number and monthly pension amount for the [period/year] ended [insert the period/year-end] from the [Fund administrator/[insert the name and</p>

	<p>the Fund]] and agree the total pensions amount paid to the total pension amount paid on the reconciliation obtained in procedure 9.1.</p> <p>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:</p>	<p>designation of the representative of the Fund]]. The total pension amount on the detailed pensioner payroll listing totals [agreed/did not agree] to the reconciliation obtained in procedure 9.1.</p> <p>[Provide details of the differences.]</p> <p>From the above list, we selected a sample of [insert the number of items], and performed the following procedures:</p>
9.2.1	Obtain the Board of Fund minutes or resolution from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and note the pension increase percentage and the effective date of the pension increase.	We obtained the Board of Fund minutes or resolution from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and we noted that the pension increase percentage was [insert %] and the effective date of the pension increase was [insert the date].
9.2.2	Inspect the administration system or observe the [Fund administrator/[insert the name and designation of the representative of the Fund]] indicating on the administration system the pension increase granted to the pensioners. Note the percentage increase granted to the pensioners and the effective date of the pension increase.	We inspected the administration system or observed the [Fund administrator/[insert the name and designation of the representative of the Fund]] indicating on the administration system the pension increase granted to the pensioners. We noted a percentage increase granted to the pensioners of [insert %] with an effective date of [insert the date].
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.	<p>The percentage increase noted in procedure 9.2.1 [agreed/did not agree] to the percentage increase noted in procedure 9.2.2.</p> <p>[Provide details of the differences.]</p> <p>The effective date noted in procedure 9.2.1 [agreed/did not agree] to the effective date noted in procedure 9.2.2.</p> <p>[Provide details of the differences.]</p>
9.2.4	Inquire from the [Fund administrator/[insert the name and designation of the representative of the Fund]] when the most recent (closest to [period/year-end] of the Fund) Certificate of Existence or Department of Home Affairs [insert the name of the documentation] that indicates the alive status	We inquired from the [Fund administrator/[insert the name and designation of the representative of the Fund]] when the most recent (closest to [period/year-end] of the Fund) Certificate of Existence or Department of Home Affairs [insert the name of the documentation] that indicates the alive status of the pensioners

	of the pensioners was obtained for the Fund and note the date.	was obtained for the Fund. We noted that the Certificate of Existence or Department of Home Affairs documentation [insert the name of the documentation] that indicates the alive status of the pensioners was [obtained on [insert the date] / not obtained] during the [period/year].
9.2.5	Obtain the Certificate of Existence or Department of Home Affairs documentation noted in procedure 9.2.4 from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and inspect for the pensioners' names and/or identification numbers of the sample pensioners.	We [obtained/could not obtain] the Certificate of Existence or Department of Home Affairs documentation noted in procedure 9.2.4 from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. [We inspected the Certificate of Existence or Department of Home Affairs documentation for the pensioners' names and/or identification numbers. [No instances / the following instances] were noted where the pensioners' names and/or identification numbers did not appear on the Certificate of Existence or Department of Home Affairs documentation.
9.3	Annuities purchased in the name of the Fund Obtain an external confirmation from the annuity providers summarising the movements from the opening market value to the closing market value for the [period/year], and perform the following procedures:	Annuities purchased in the name of the Fund We obtained an external confirmation from the annuity providers summarising the movements from the opening market value to the closing market value for the [period/year], and performed the following procedures:
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 [insert the general ledger account number]. Note any differences.	The closing market value of the annuity per the external confirmation from the annuity providers [agreed/did not agree] to the annuities purchased general ledger account [insert the general ledger account number]. [Provide details of the differences.]
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.	The pension expense per the external confirmation from the annuity providers [agreed/did not agree] to the pensioner reconciliation obtained in procedure 9.1. [Provide details of the differences.]

9.4	<p>Living annuities in the fund</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/[insert the name and designation of the representative of the Fund]] 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>Living annuities in the fund</p> <p>We obtained a detailed pensioner payroll listing reflecting the pensioner's name, identification number, monthly pension and pension payment start date of pensioners in receipt of a living annuity from the [Fund administrator/[insert the name and designation of the representative of the Fund]].</p> <p>The total pension amount on the detailed pensioner payroll listing of pensioners in receipt of a living annuity [agreed/did not agree] to the pensioner amount paid on the pensioner reconciliation obtained in procedure 9.1.</p> <p>[Provide details of the differences.]</p>
9.4.1	<p>New living annuities in the fund</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 [period/year] reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform the following procedures:</p>	<p>New living annuities in the fund</p> <p>We selected a sample from the listing obtained in procedure 9.4 of [insert the number of items] of the number of new pensioners in receipt of a living annuity, obtained the detailed pensioner record/statement for the [period/year] reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and performed the following procedures:</p>
9.4.1.1	Obtain the [insert the name of the document reflecting the pensioners' chosen drawdown rate at retirement] of the new pensioners in receipt of a living annuity.	We [obtained/could not obtain] the [insert the name of the document reflecting the pensioners' chosen drawdown rate at retirement] of the new pensioners in receipt of a living annuity.
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.	<p>The drawdown rate reflected on the pensioner record/statement obtained in procedure 9.4.1 [agreed/did not agree] to the drawdown rate obtained in procedure 9.4.1.1.</p> <p>[Provide details of the differences.]</p>

9.4.2.	<p>All living annuities in the Fund</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 [period/year] reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and perform the following procedures:</p>	<p>All living annuities in the Fund</p> <p>We selected a sample listing obtained in procedure 9.4 of [insert the number of items] of the number of pensioners in receipt of a living annuity and obtained the detailed pensioner record/statement for the [period/year] reflecting the drawdown rate, monthly pensions paid, the balance of the pension from the [Fund administrator/[insert the name and designation of the representative of the Fund]], and performed the following procedures:</p>
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>	<p>We compared 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>[No instances / the following instances] were noted where the drawdown rate as per the administration system was higher or lower than those defined in Section 1 of the Income Tax Act and/or Authority's Conduct Standard on the conditions for living annuities.</p> <p>[Provide details of the exceptions.]</p>
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>	<p>We recalculate the drawdown rate by dividing the monthly pension paid by the balance of pensions as reflected in the pensioner record/statement obtained in procedure 9.4.1. The recalculated drawdown rate [agreed/did not agree] to the drawdown rate reflected on the record/statement obtained in procedure 9.4.1.</p> <p>[Provide details of the exceptions.]</p>
9.4.2.3	<p>Obtain the Certificate of Existence or Department of Home Affairs [insert the name of the documentation] noted in procedure 9.2.4 from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and inspect for the pensioner's</p>	<p>We [obtained/could not obtain] the Certificate of Existence or Department of Home Affairs [insert the name of the documentation] noted in procedure 9.2.4 from the [Fund administrator/[insert the name and designation of the representative of the Fund]]. [We inspected the Certificate</p>

	name and/or identification number. Note any exceptions.	of Existence or Department of Home Affairs documentation for the pensioner's name and/or identification number. [No instances / the following instances] were noted where the pensioner's name and/or identification number did not appear on the Certificate of Existence or Department of Home Affairs [insert the name of the documentation]. [Provide details of the exceptions.]
10	General	
10.1	<p>Obtain a copy/copies of the fund's fidelity insurance cover/policy from the [Fund administrator/[insert the name and designation of the representative of the Fund]] for the [period/year] ended [insert the period/year-end date], 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>	<p>Not applicable. The Fund did not have fidelity insurance cover in place.</p> <p style="text-align: center;">OR</p> <p>We obtained a copy/copies of the fund's fidelity insurance cover/policy from the [Fund administrator/[insert the name and designation of the representative of the Fund]] and inspected the period of the cover (start date and end date). The period of the cover per the policy [extended/did not extend] to the period/year-end. The Fund's fidelity insurance cover was in place until [include the date].</p>
10.2	<p>Inquire from the [Fund administrator/Principal Officer/[insert the name and designation of the representative of the Fund]] 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 [Fund administrator/Principal Officer /[insert the name and designation of the representative of the Fund]] when the valuation exemption was approved by the Authority and note the date.</p>	<p>We inquired from the [Fund administrator/Principal Officer /[insert the name and designation of the representative of the Fund]] the date of the latest statutory actuarial valuation and when it was submitted to the Authority, and noted that the date of the valuation was [include the date] and it was submitted to the Authority on [insert the date].</p> <p style="text-align: center;">OR</p> <p>We inquired from the [Fund administrator/Principal Officer /[insert the name and designation of the representative of the Fund]] and noted that the valuation exemption was approved by the Authority on [insert the date].</p>
10.2.1	Obtain a copy of the latest statutory valuation from the [Fund administrator/[insert the name and designation of the representative of the	We obtained the latest statutory valuation from the [Fund administrator/[insert the name and designation of the representative

	Fund]] 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).	of the Fund]] as noted in procedure 10.2 and inspected the valuation report for the funding status of the Fund. We noted that the funding status was [under-funded/fully funded].
10.2.2	Where the Fund is under-funded per the valuation report, inquire from the [Fund administrator/Principal Officer/Fund actuary/[insert the name and designation of the representative of the Fund]] as to whether a scheme, as required in terms of Section 18 of the Act, has been approved by the Authority. Note any exceptions.	<p>Not applicable. Per procedure 10.2.1, the Fund was not under-funded.</p> <p>OR</p> <p>We inquired from the [Fund administrator/Principal Officer/Fund actuary/[insert the name and designation of the representative of the Fund]] and in accordance with his/her response, a scheme, as required in terms of Section 18 of the Act, [had/had not] been approved by the Authority.</p> <p>[Provide details of the exceptions.]</p>
10.2.3	Where a scheme as required by Section 18 of the Act has been approved by the Authority, inquire from the [Fund administrator/Principal Officer/Fund actuary/[insert the name and designation of the representative of the Fund]] 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.	<p>Not applicable. Per procedure 10.2.1, the Fund was not under-funded.</p> <p>OR</p> <p>Per procedure 10.2.2, a scheme, as required in terms of Section 18 of the Act, had not been approved by the Authority.</p> <p>OR</p> <p>We inquired from the [Fund administrator/Fund actuary/Principal Officer/[insert the name and designation of the representative of the Fund]] and in accordance with his/her response, the recommendations/corrective actions of the scheme as required in terms of Section 18 of the Act [have/have not] been implemented.</p> <p>[Provide details of the exceptions.]</p>

[Auditor's Signature]

[Name of the individual registered auditor]

[Capacity, if not a sole practitioner]

e.g. Director/Partner]

Registered Auditor

[Date of the auditor's report]

[Auditor's address]