



**FSCA RF NOTICE 5 OF 2020**

**FINANCIAL SECTOR REGULATION ACT, 2017**

**PENSION FUNDS ACT, 1956**

**EXEMPTION OF LARGE FUNDS FROM CERTAIN PRESCRIBED FORMATS FOR  
PREPARING FINANCIAL STATEMENTS UNDER SECTION 15 OF THE PENSION FUNDS  
ACT, 1956**

The Financial Sector Conduct Authority, under section 281(1) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), hereby exempt certain funds from using certain formats (as prescribed under paragraph 3(2)(a) of Board Notice 77, as published in *Government Gazette* 37844 of 18 July 2014) that are required to be used to prepare financial statements, to the extent set out in the Schedule.

**OLANO MAKHUBELA**  
**DIVISIONAL EXECUTIVE: RETIREMENT FUNDS SUPERVISION**  
**FOR THE FINANCIAL SECTOR CONDUCT AUTHORITY**

**Date: 5 March 2020**

## SCHEDULE

### Definitions

1. In this Schedule “**Act**” means the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) and “**PFA**” means the Pension Funds Act, 1956 (Act No. 24 of 1956), and any word or expression to which a meaning has been assigned in the Act or the PFA shall have the meaning so assigned to it unless a different meaning is assigned elsewhere in this Schedule, and -

“**IRBA**” means the Independent Regulatory Board for Auditors;

“**Large Fund**” means a Large Fund referred to in paragraph 3(2)(a) of the Board Notice;

“**Schedule D1**” means “Schedule D1 - Report of the independent auditors” as prescribed under paragraph 3(2)(a) of the Board Notice;

“**Schedule IB1**” means “Schedule IB1 - Report of the independent auditors on compliance with regulation 28 to the Registrar of Pension Funds” as prescribed under paragraph 3(2)(a) of the Board Notice; and

“**the Board Notice**” means Board Notice 77, as published in *Government Gazette* 37844 of 18 July 2014, made under section 15(1) of the PFA.

### Exemption of specific entities by the Authority

2. (1) The Authority hereby, under section 281(1) of the Act, exempt Large Funds from the requirement to complete Schedule D1 when preparing financial statements in accordance with section 15(1) of the PFA, on the condition that the IRBA’s illustrative “Auditor’s report template: Audit of the Financial Statements of a Large Retirement Fund (Schedule D)” is completed; and
- (2) The Authority hereby, under section 281(1) of the Act, exempt Large Funds from the requirement to complete Schedule IB1 when preparing financial statements in accordance with section 15(1) of the PFA, on the condition that the IRBA’s illustrative “Assurance Report on Compliance with Regulation 28 of the Pension Funds Act” is completed.
- (3) Subparagraphs (1) and (2) only apply to the preparation of financial statements of large funds in respect of financial year ends beginning after 1 March 2018.

### Amendment and withdrawal of exemption

3. The exemption referred to in paragraph 2 above is subject to –
  - (a) amendment thereof published by the Authority by notice on the website of the Authority; and

(b) withdrawal in a like manner.

#### **Short title and commencement**

4. This exemption is called the Exemption of Large Funds from certain prescribed formats for preparing financial statements under section 15 of the Pension Funds Act, 1956, 2020 and comes into effect on the date of publication of this Notice.