

SCHEDULE D

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF THE [NAME OF FUND]

Report on the Financial Statements¹

We have audited the annual financial statements of the [name of fund] (the "Fund") set out on pages [xx] to [xx], which comprise the statement of net assets and funds as at [insert date], the statement of changes in net assets and funds for the [period/year then ended], and the notes to the financial statements which include the principal accounting policies and other explanatory information. The financial statements are prepared for the purpose of reporting to the Registrar of Pension Funds.

Board of Fund's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the annual financial statements of the [name of fund] for the [period/year ended] [period/year-end] have been prepared, in all material respects, in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa.

¹ The sub-title "Report on the Financial Statements" is unnecessary in circumstances when the second sub-title "Report on Other Legal and Regulatory Requirements" is not applicable.

Financial Reporting Framework

Without modifying our opinion, we draw attention to the principal accounting policies in which the applicable financial reporting framework is identified, as prescribed by the Registrar. Consequently, the financial statements and related auditor's report may not be suitable for another purpose.

Other Matters²

The supplementary information contained in Schedule IA as set out on pages [xx] to [xx] to these annual financial statements, has been extracted from the Fund's underlying accounting records that were the subject of our engagement. We have compared the totals reflected in Schedule IA to the totals reflected in the underlying Fund's accounting records to determine whether such totals have been correctly extracted. However, we have not performed any additional procedures to substantiate the disclosures of the individual totals included in Schedule IA. We do not express an audit opinion on this schedule.

Report on Other Legal and Regulatory Requirements³

The Statement of Responsibility by the Board of Fund describes instances of non-compliance with laws and regulations, including those that determine the reported amounts and disclosures in the financial statements that have come to the attention of the Board of Fund and the corrective action taken by the Board of Fund. There are no additional instances of non-compliance with laws and regulations that came to our attention during the course of our audit of the financial statements.⁴

In accordance with our responsibilities in terms of sections 44(2) and 44(3) of the Auditing Profession Act, we report that we have identified certain unlawful acts or omissions committed by persons responsible for the management of [name of fund] which constitute reportable irregularities in terms of the Auditing Profession Act, and have reported such matters to the Independent Regulatory Board for Auditors. The matters pertaining to the reportable irregularities have been described in note [xx] to the Report of the Board of Fund.⁵

Auditor's Signature

² An auditor may consider it necessary to communicate matters other than those that are presented or disclosed in the financial statements that, in the auditor's judgement, are relevant to users' understanding of the audit, the auditor's responsibilities or the auditor's report. If not prohibited by law or regulation, the auditor shall disclose such matters in a paragraph in the auditor's report, with the heading "Other Matters". The auditor shall include this paragraph immediately after the Financial Reporting Framework paragraph or elsewhere in the auditor's report if the content of the Other Matters paragraph is relevant to the other reporting responsibilities (ISA 706 *Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report* paragraph 8).

³ At the request of the Registrar of Pension Funds, instances of non-compliance with laws and regulations for which the Board of Fund is responsible should be reported in the Statement of Responsibility by the Board of Fund. The auditor is required to report these matters under the heading "Report on Other Legal and Regulatory Requirements". These matters do not form part of the "Report on the Financial Statements".

⁴ Or "The following additional instances of non-compliance that came to our attention during the course of our audit of the financial statements are detailed below" and include details.

⁵ If there are no instances of reportable irregularities, this paragraph should be omitted.

Name of individual registered auditor
Registered Auditor
Date of auditor's report
Auditor's address