University of Cape Town
Retirement Fund – PF 12/8/31582/2

Statutory actuarial valuation report as at 30 June 2012

August 2013

TOWERS WATSON

Table of Contents

This page is intentionally blank

Executive Summary

Purpose of report

The purpose of this valuation is to assess whether the University of Cape Town Retirement Fund's assets are at least equal to the aggregate of the members' liabilities and the targeted level of reserves, to review the employer contribution rate to ensure that it is sufficient to finance the benefits and costs as provided for in the Fund rules, and to review the level of the reserves of the Fund.

This report is prepared for the Trustees of the Fund.

Summary of results

The valuation balance sheet compares the overall liabilities of the Fund with the market value of the assets at the valuation date. The position at the previous valuation is shown for comparison.

	Previous Valuation 30 June 2010	Current valuation 30 June 2012
	R'000	R'000
Total Liabilities and contingency reserves	**1 853 455**	**2 387 519**
Accrued Liabilities	**1 835 146**	**2 368 539**
In-service and deferred member accumulated credits	1 698 928	2 161 409
Pensioner accounts	114 051	207 130
Adjustments to member & pensioner credits	21 226	-
Surplus to be allocated	-	-
Unallocated assets at migration	941	
Contingency reserves	**18 309**	**18 980**
Processing error reserve	5 344	3 809
Surplus apportionment cost reserve	1 638*	586
Data reserve	9 327	11 960
General reserve	2 000	2 625
Assets (Total funds and reserves):	**1 865 450**	**2 392 025**
Market Value	1 865 450	2 392 025
Actuarial surplus	**11 995***	**4 506**
Funding level	**100.65%**	**100.19%**

*Note: The figures shown here are as set out in the valuation report submitted to the Registrar of Pension Funds. After completion of the 30 June 2011 valuation report, the Trustees agreed that the level of the Surplus Apportionment Cost Reserve could be reduced by R 500 000, which had the effect that the surplus was increased to R 12 495 000. This surplus was subsequently apportioned to current and former members of the Fund.

The Fund's financial condition remains strong, with a surplus of R4.506 million reflected at the current valuation. The Funding level is 100.19%, and the Fund remains financially sound with the contingency reserves fully funded at the targeted levels and a positive balance in the General Reserve.

Future service contributions

The structure of the contribution rates is such that there is limited potential for actuarial surpluses to accumulate in future. The Employer should continue to contribute at the rates specified in the Rules.

Over the valuation period actual administration costs were again lower than budgeted for. The Trustees should continue to keep the portion of the contribution allocated towards the administration and other expenses of the Fund under review, to ensure that the Fund is not over-budgeting for these expenses. For permanent staff, the allocation was 0.680% at the previous valuation date, but had reduced to 0.515% by 30 June 2012 (and to 0.4754% with effect from 1 January 2013, after the valuation date).

Membership summary

The change in the membership of the Fund during the valuation period was as follows:

In-service and deferred members	Actives	Deferred	Total
Number at 30 June 2010	**3 227**	**84**	**3 311**
New entrants	692	-	692
Adjustments	(19)	-	(19)
Transfers In	45	-	45
Withdrawals	(304)	-	(304)
Retirements	(82)	(7)	(89)
Deaths	(10)	-	(10)
Net transfer to deferred pensioners	(33)	33	-
Transfer to living annuities	(46)	-	(46)
Number at 30 June 2012	**3 470**	**110**	**3 580**

Pensioners and beneficiaries (living annuitants)	Total
Number at 30 June 2010	**99**
Transfers out	(4)
Living annuitants who purchased life annuity	(2)
New retirements	46
Deaths	(2)
New beneficiaries' pensions	-
Number at 30 June 2012	**137**

Conclusion

The Fund's assets are sufficient to cover the member and pensioner liabilities and to provide for the maintenance of the contingency reserves at the targeted levels as at 30 June 2012. The Fund was therefore in a sound financial position, with a surplus of R4.506 million at the valuation date.

In presenting this report I am operating under the professional standards of the Actuarial Society of South Africa, which is the professional body governing my conduct as a retirement fund valuator.

E J Potgieter

Erich Potgieter, B.A (Hons.), Ph.D., F.A.S.S.A
Valuator to the UCT Retirement Fund
Associate of Towers Watson (Pty) Ltd
August 2013

Joanna Combrink, B Bus Sc., F.A.S.S.A
Assistant Actuary
Associate of Towers Watson (Pty) Ltd

Section 1: Introduction

Background

1.1 This report sets out the results of a statutory actuarial valuation of the University of Cape Town Retirement Fund ("the Fund") as at 30 June 2012 ("the valuation date").

1.2 A statutory valuation was carried out as at 30 June 2010 and an interim valuation was carried out as at 30 June 2011. The current valuation covers the two year period since the last statutory valuation ("the valuation period"). The Trustees have decided that this report should be submitted to the Registrar as a statutory valuation report.

Professional standards

1.3 This report has been prepared in my capacity as the appointed valuator to the Fund and as an associate of Towers Watson (Pty) Ltd.

1.4 The report has been prepared in accordance with the requirements of Board Notice 149 of 2010, Regulation 35 of the Pension Funds Act, and the Professional Guidance Notes / Statements of Actuarial Practice 201, 205 and 206 issued by the Actuarial Society of South Africa, which is my primary professional regulator.

1.5 The report has been peer-reviewed.

Section 2: Purpose of the valuation

Valuation objectives

2.1 The purpose of this valuation is:

i) To assess whether the Fund's assets are at least equal to the member and pensioner liabilities as defined in the rules, and if possible are also sufficient to cover the targeted level of contingency reserves;

ii) To review the employer contribution rates to ensure that these are sufficient to finance the benefits and costs/expenses as provided for in the Fund rules;

iii) To review the level of contingency reserves required by the Fund.

Scope of assessment

2.2 This report is addressed to the Trustees of the Fund, and has been prepared for the use by the Trustees. It should not be used by any other party, or for purposes not specifically noted. It may be submitted to the relevant stakeholders of the Fund, subject to the consent of the Trustees.

2.3 Consequently the report does not address the employer's pension expense or the relevant accounting disclosure that may be required in terms of pension accounting standard IAS 19.

2.4 The report has been prepared as at 30 June 2012. The previous statutory valuation was as at 30 June 2010.

Limitations and disclaimer

2.5 Any party, other than the Board of Trustees of the Fund, who receives a copy of this report (or any part of it) and discusses it (or any part of it) or any related matter with Towers Watson or any third party, does so on the basis that they acknowledge the full report and accept that they may not rely on it for any purpose.

2.6 Towers Watson does not accept any liability to any person other than the Board of Trustees in connection with this report or related enquiries. We accept no liability in respect of any matter outside the scope and limitation of this report and the purpose for which it has been prepared.

Section 3: Valuation data

Membership data

3.1 The Fund's auditor performs extensive checks on the data and as such we have largely relied on the information supplied in the audited annual financial statements. However, in order to ensure the accuracy of the valuation data, we have performed certain checks of our own for reasonableness and consistency compared with the data provided to us for the previous valuation.

3.2 In addition to the membership reconciliation, checks were performed for a sample of active members, deferred members and living annuity pensioners on the build-up of their accumulated credits / living annuity account balances over the valuation period. We would normally expect some minor differences between our estimates of the accumulation and the amounts maintained on the administrators' records. These differences could arise from any or all of the following factors:

i) timing of investment of monthly contributions (or disinvestment of monthly pension draw-down amounts);

ii) use of monthly net investment returns in our calculations versus the daily unit prices used by the administration system;

iii) other technical differences between the administration system and the actuarial valuation system; and

iv) differences between the administration data and the details extracted from the administration system for the purpose of the actuarial valuation.

3.3 In performing an actuarial valuation, the actuary only needs to be satisfied that the data is materially correct so that the Trustees can reasonably rely on the valuation results for decision-making. We are satisfied on this standard of materiality that the data supplied may be used for the purposes of the valuation.

3.4 We identified some minor discrepancies in the member data as at 30 June 2012 and resolved these with the Administrator. As a result, the figure of R 2 098 318 941 reflected as Members' Individual Credits (Active Members) in note 17 of the 30 June 2012 financial statements has been adjusted to R 2 096 858 465 (a reduction of R 1 460 474).

Financial data

3.5 We were supplied with audited accounts for the years ended 30 June 2011 and 2012. The valuation results depend in part on the accuracy of these financial statements. At the date of this report we had no reason to believe that the financial statements were materially incorrect.

Section 4: Experience during the valuation period

The main financially significant events that have influenced the course of the Fund over the two years since the previous statutory valuation at 30 June 2010 can be summarised as follows:

Net investment returns

4.1 At the previous valuation there were four portfolios backing member liabilities, which may be invested in a money market portfolio, an insurer's smoothed-bonus portfolio, a balanced market-linked portfolio and a Shari'ah compliant portfolio (i.e. a balanced market-linked portfolio complying with the requirements of Islamic Shari'ah law) according to the member's choice. The investment portfolios are known as Portfolio A, B, C and D respectively and offer members different levels of investment risk/reward. These portfolios are also available to pensioner members receiving living annuities from the Fund.

4.2 The Fund offers a "life stage" default investment model using a combination of the market-linked and cash portfolios, for members who do not exercise their own investment choices.

4.3 The Fund's Contingency Reserves and unallocated assets (General Reserve) are invested in Portfolio A (the Income Fund, i.e. money market portfolio).

4.4 Over the valuation period, the net rates of return earned on the investment portfolios were as follows (after deducting asset management fees):

Period	Portfolio A Income Fund	Portfolio B Smoothed-Bonus Fund	Portfolio C Balanced Fund	Portfolio D Shari'ah Fund
1 July 2010 - 30 June 2011	6.71%	6.80%	12.65%	12.76%
1 July 2011 - 30 June 2012	6.25%	9.05%	9.00%	4.48%

4.5 For comparison, inflation as measured by the change in the headline Consumer Price Index was 5.47% over the year to 30 June 2012, and 5.02% over the previous year.

Employer contribution rates

4.6 The Rules set out the required Employer contribution rates to the Fund and related schemes (i.e. the disability income benefit and the separate Group Life Assurance arrangement). The required rates differ for Permanent Staff (22.5% of salary bill) and Fixed Term Contract members (20.912% of salary bill). The tables below indicate how the employer contribution rates were allocated over the valuation period:

Permanent Staff	As at 30/06/2010	Since 01/01/2011	Since 01/04/2011	Since 01/03/2012
Retirement savings (as specified in Rules)	16.000%	16.000%	16.000%	16.000%
Additional retirement savings contribution	3.700%	3.800%	3.800%	4.100%
Death-in-service (based on 6x annual pensionable salary)	1.188%	1.044%	1.044%	0.994%
Disability income benefits*	0.530%	0.530%	0.640%	0.560%
Separate Group Life Assurance Scheme*	0.402%	0.354%	0.354%	0.331%
Administration fee	0.178%	0.178%	0.170%	0.169%
Other expenses (e.g. Audit, Actuarial, Consulting, Secretarial)	0.502%	0.594%	0.492%	0.346%
Total	**22.500%**	**22.500%**	**22.500%**	**22.500%**

* These benefits are provided outside the Fund.

Fixed-Term Contract Staff	As at 30/06/2010	Since 01/01/2011	Since 01/04/2011	Since 01/03/2012
Retirement savings(as specified in Rules)	16.000%	16.000%	16.000%	16.000%
Additional retirement savings contribution	3.040%	3.180%	3.188%	3.400%
Death-in-service (based on 3x annual pensionable salary)	1.206%	1.062%	1.062%	0.993%
Administration fee	0.178%	0.178%	0.170%	0.169%
Other expenses (e.g. Audit, Actuarial, Consulting, Secretarial)	0.488%	0.492%	0.492%	0.350%
Total	**20.912%**	**20.912%**	**20.912%**	**20.912%**

Distribution of surplus

4.7 At the 2010 statutory valuation, a surplus of R11.995m was revealed and the Trustees resolved to allocate this surplus to those persons who were members of the Fund during the previous valuation period, i.e. between 1 January 2008 and 30 June 2010 inclusive.

4.8 The Trustees also decided to reduce the amount to be retained in the Surplus Apportionment Cost Reserve by R0.5m. The total surplus to be apportioned therefore increased to R12.495m as at 30 June 2010.

4.9 The actual allocation of the surplus had not taken place by 30 June 2011. The surplus together with net Portfolio A (cash portfolio) returns earned thereon amounted to R13.334m in total at 30 June 2011 and was reflected as a liability of the Fund in the previous valuation report.

4.10 The 2012 financial statements reflect that R10.819m of surplus was credited to in-service members and deferred pensioners, and R0.786m to living annuitants – these amounts were credited to members during April 2012. In addition, R2.240m remained as at 30 June 2012 to be paid to former members (expensed as benefit payments in the financial statements).

Rule amendments

4.11 Revised Fund Rules were adopted by the Trustees in December 2010 with effect from 1 July 2010. The new Rules were approved by the Registrar of Pension Funds on 25 March 2011.

4.12 The Rules have been updated in accordance with legislation, and the rules governing preservation in the Fund have been brought in line with SARS General Note No.35. Provision has been made for living annuitants and deferred pensioners to bear an equitable share of the Fund expenses. Changes recommended by the FSB have been incorporated, and obsolete provisions have been deleted and the Rules in general have been simplified and clarified.

4.13 No rule amendments were made during the year ending 30 June 2012.

Financially significant post-valuation events

4.14 I do not consider that there have been any financially significant post-valuation events (up to the date of signing this report).

Section 5: Fund assets

Market values

5.1 The change in the market value of the assets since the previous statutory valuation at 30 June 2010 is summarized below.

5.2 The figures below are consistent with the audited accounts of the Fund at the valuation date. Assets have been valued at market or fair value for the purpose of the actuarial valuation (numbers may not add up exactly, owing to rounding).

Portfolio and Asset Class	Investment Manager	30.06.2010 (R'000)	30.06.2012 (R'000)
Portfolio A (Income Fund)	Prescient Investment Mgt	**236 849**	**270 941**
Portfolio B (Smoothed Bonus)	Momentum Life Multi-Manager Smooth Growth Fund (Global)	**552 278**	**612 218**
Portfolio C (Balanced) (i)			
SA Equities	Investec Asset Mgt	302 133	370 676
	Allan Gray Ltd	309 991	420 386
SA Listed Property	Catalyst Fund Managers	-	60 484
SA Bonds	Prescient Investment Mgt	252 870	284 127
International	Orbis via Allan Gray	190 547	356 139
	Total Portfolio C	**1 055 541**	**1 491 812**
Portfolio D (Shari'ah)	27four Shari'ah Balanced Fund (ii)	**13 306**	**31 804**
Cash and money-market investments held against benefits payable		**30 267**	**8 813**
Total Investments		**1 888 241**	**2 415 589**
Net current assets		(22 791)	(23 564)(iii)
Total Funds and reserves		**1 865 450**	**2 392 025**

(i) The market-linked portfolio (Balanced Fund) had an asset allocation at 30 June 2012 of 53% domestic equities (including cash held in the equity portfolios, or 47% if this cash is excluded), 4% domestic listed property, 19% domestic cash and bonds, and 24% global equities of which half was hedged (market-neutral) exposure.

(ii) The Shari'ah Balanced Fund had an asset allocation at 30 June 2012 of 41% domestic equities, 2% foreign equities, 5% NewGold ETF, and 52% cash and sukuks (Islamic debt instruments). The high cash and sukuk exposure was because the portfolio was undergoing restructuring at that date.

(iii) Net current assets are calculated as current assets (cash at bank) of R4.921m, minus current and non-current liabilities of R28.485m.

5.3 Note on Momentum Multi-Manager Smooth Growth Fund:

The Momentum (formerly Metropolitan) Multi-manager Smooth Growth Fund holdings include non-vested bonuses of R70.624m (11.54% of the total investment value). In adverse market conditions the Insurer has the right to withdraw these non-vested bonuses in part or in full, or to reduce the balance in members' non-vested accounts on member switches or policy termination, subject to the insurer applying such action equitably to other investors in the Smooth Growth Fund. The proportion of non-vested bonuses differs from member to member invested in the portfolio, depending on the pattern of cash flows invested in the portfolio in respect of the member concerned.

Furthermore, the value of the Smooth Growth policy is stated in the above table on the premise that the Fund continues with this investment. At times when the insurer has declared more in bonuses than it has earned on the underlying assets, a "market value adjustment" (reduction) would apply on early termination.

If members choose to switch out of the portfolio in defined circumstances (usually before the member has completed 5 years as an investor in the portfolio), a "market value adjustment" (reduction) may also apply to the member's own investment in the portfolio when switching. The extent of any such adjustment will again depend on the pattern of cashflows invested in the portfolio in respect of the member concerned.

The above circumstances do not increase the financial risk of the Fund, as in terms of the Rules such adverse circumstances would be passed onto the members via a negative investment return. Of course these contractual provisions represent risk for the members.

Following the merger of Metropolitan Life and Momentum Life, the name of the Smooth Growth Fund was changed to Momentum Multi-Manager Smooth Growth Fund with effect from 1 April 2012.

Actuarial value of assets

5.4 The assets have been valued at market value for the purpose of this actuarial valuation, adjusted as shown above by the net current assets.

5.5 The Fund does not grant housing loans to members, but allows members to pledge a portion of their net withdrawal benefits as security for loans for housing from approved financial institutions. At the valuation date the total outstanding amount against which pledges had been given by the Fund was R1.156m in respect of 47 members. This has no effect on the actuarial value of the Fund's assets, as the outstanding pledges are covered by the relevant members' withdrawal benefits.

5.6 To our knowledge no Fund assets have been hypothecated or encumbered.

Section 6: Financial structure of the Fund

The Fund Rules provide for the following accounts to be established and maintained. (For a detailed description of the structure of each account, reference must be made to the Rules.)

Accumulation Account

6.1 This account is the total of all members' and deferred pensioners' accumulated credits in the Fund – these essentially comprise the retirement-funding contributions made by and in respect of each member, amounts transferred in from other approved retirement funds for the member (or from other accounts in the Fund), and net investment returns thereon, minus any charges incurred in connection with investment switches made by the member. The account therefore represents the members' and deferred pensioners' interests in the Fund in terms of the Rules.

Living Annuity Balance Account

6.2 This account is the total of all pensioners' balances in the Fund – these essentially comprise transfers from the Accumulation Account when members retire and choose to take living annuity pensions from the Fund, any transfers from other accounts of the Fund, and investment returns thereon, minus pension instalments paid and administration expenses and Fund charges as determined by the Trustees.

Risk Benefit Reserve Account

6.3 This account is credited with the portion of the contributions required to meet the cost of death cover of members within the Fund and debited with the corresponding premium amounts. It is also credited with reinsurance payments made by the insurers on the death of a member, and debited with the corresponding death benefits paid payable. The intention is that the balance held in this account will always be zero.

Data Reserve Account

6.4 This contingency reserve account is credited with amounts determined by the Trustees in consultation with the actuary, and investment returns.

6.5 It is debited with payments arising as a result of errors in the fund data, and also with amounts representing surplus transferred to the Accumulation account or Living Annuity Balance account, as agreed by the Board.

Processing Error Reserve Account

6.6 This contingency reserve account is credited with an opening balance as determined by the Board, other amounts as agreed by the Board, and investment returns.

6.7 The account is debited with fund payments arising as a result of processing errors arising from timing differences between the actual vs. deemed investment (or disinvestment) of Fund monies, and also with amounts representing surplus transferred to the Accumulation account or Living Annuity Balance account, as agreed by the Board.

Surplus Apportionment Cost Reserve Account

6.8 This contingency reserve account is credited with amounts as determined by the Trustees, and approved by the Registrar in terms of Section 15B of the Act, and investment returns. The account is debited with expenses in respect of surplus apportionments.

Employer Surplus Account

6.9 This account would be credited with any surplus apportioned to the employer. Any balance held would be applied at the request of the employer for any purpose specified in terms of Section 15E of the Pension Funds Act.

Former Member Reserve Account

6.10 This account is credited with amounts as agreed by the Trustees, including those amounts approved by the Registrar in terms of Section 15B of the Act, representing any surplus allocated to former members of the Fund, and investment returns. It is debited with surplus payments to former members.

General Reserve Account

6.11 This account is established to provide for contingencies not covered by the other reserve accounts, and comprises a record of all monies of the Fund not allocated to other accounts.

6.12 It is credited with the portion of contributions allocated to cover administration, auditing fees and consultancy services to the Fund and other fees approved by the Trustees, and also with investment returns.

6.13 It is debited with expenses related to the management and administration of the Fund, including but not limited to administration and consultancy fees, legal expenses and the cost of audits and actuarial investigations borne by the Fund.

Section 7: Contingency reserves

Principles

7.1 Regulation 35 of the Act provides for the Trustees to set up such contingency reserves as they deem prudent based on the advice of the actuary. The establishment and amount of any contingency reserve must be soundly motivated based on an objective assessment of the specific risks. To the extent that the assets of the Fund are insufficient to cover the ideal level of contingency reserves, the valuation result will understate the risk of possible future deficits.

7.2 In deciding on appropriate contingency reserves, Trustees should be aware of:

- the competing interests of different groups of members; and
- the inter-dependence of the risks involved and the possibility of double-counting.

Specific contingency reserves

Risk Benefit Reserve

7.3 The Risk Benefit Reserve will reflect a zero balance, as this account is simply used to record the portion of contributions that is allocated to cover premiums required for insured risk benefits, and matching premium payment amounts. No balance is accumulated in this account – the risk benefits are fully reinsured by the Fund.

Surplus Apportionment Cost Reserve

7.4 The Trustees established a reserve of R881 000 as at 31 December 2001 for the costs of the surplus apportionment exercise. The amount held in this reserve as at 30 June 2010 was R1.638m. The Trustees decided to reduce this amount by R0.5m, leaving a balance of R1.138m at 30 June 2010.

7.5 The amount of R1.249m reflected in the financial statements as at 30 June 2011 reflected the (unadjusted) reserve balance of R1.638m updated with net Portfolio A investments returns to 30 June 2011, minus surplus apportionment expenses of R0.486m incurred. We estimated last year that the adjusted balance after the reduction of R0.5m would have been R0.716m as at 30 June 2011.

7.6 The balance reflected in the 2012 financial statements, after the adjustment and after the deduction of surplus-related expenses of R0.173m as well as net Portfolio A returns, was **R0.586m as at 30 June 2012**. Since there will be further surplus-related expenses incurred after the year end, we recommend retaining this balance in the account

Processing Error Reserve

7.7 This is a provision for mismatching and for timing differences between the actual date of investment or disinvestment of moneys and the dates when investment or disinvestment is deemed to have occurred for the calculation of benefits or the accrual of investment returns. In the previous statutory valuation, we proposed that this should be set at 0.50% of the market value of assets of the market-linked Portfolios C and D only.

7.8 The amount of R6.064m reflected in the financial statements as at 30 June 2012 represents the proposed (adjusted) reserve balance of R5.344m as at 30 June 2010 accumulated with net Portfolio A investment returns for the two years to 30 June 2012.

7.9 If this reserve were to be adjusted to the targeted level of 0.5% of the market value of assets of Portfolios C and D only, this would imply a balance of **R7.618m** as at 30 June 2012 - this would require a reallocation of R1.554m from the General Reserve. (This is because the growth in these portfolios, representing both investment returns and net inflows to the portfolios, was higher than the net Portfolio A returns for the two-year period.)

7.10 However, with the successful move to daily unitization it is in my view no longer necessary to maintain the Processing Error Reserve at 0.5% of Portfolio C and D assets. If the target level were reduced to only 0.25% of Portfolio C and D assets, this would imply a target balance of only **R3.809m**, allowing a release of R2.255m as surplus.

Data Reserve

7.11 This is a provision for amounts that may become payable as a result of data errors, in circumstances where it is not possible to make recovery from the party responsible for the error (or from the Fund's insurers). In the previous statutory valuation, it was proposed that this should be set at 0.5% of the value of "total Funds and reserves" (consistent with the auditor's materiality limit).

7.12 The amount of R10.571m reflected in the financial statements as at 30 June 2012 represents the proposed (adjusted) reserve balance of R9.327m as at 30 June 2010 accumulated with net Portfolio A investment returns for the two years to 30 June 2012.

7.13 If this reserve were to be adjusted to the targeted level of 0.5% of "total Funds and reserves", this would imply a balance of **R11.960m** as at 30 June 2012 - this would require a reallocation of R1.389m from the General Reserve. (This is again because the growth in the total Fund, representing both investment returns and net inflows, was higher than the net Portfolio A returns for the two-year period.)

General Reserve

7.14 This reserve operates as the account into which are paid (a) the contributions in excess of the specified 16% minimum allocation for retirement funding and the amount needed to fund the risk benefit premiums, and out of which are paid (b) the additional discretionary contribution allocation for retirement funding (as set by the Trustees from time to time) and (c) the costs of Fund administration.

The balance that accumulates in this account therefore represents the small margin of contributions left over, after deducting retirement savings, risk benefit costs, administration and other Fund expenses (other than investment manager fees).

7.15 The table below summarises the build-up of the General Reserve as shown in the financial statements over the valuation period:

Build-up of the General Reserve over the inter-valuation period	R'000
Opening Balance as at 1 July 2010 (reflected in financial statements)	**6 566**
Net contributions allocated to the General Reserve (towards fund expenses)	5 924
Expenses paid out of the General Reserve	(4 248)
Investment return allocated (net Portfolio A return)	340
Opening Balance as at 1 July 2011	**8 582**
Portion of reserve allocated as surplus (2010 surplus apportionment)	(5 307)
Net contributions allocated to the General Reserve (towards fund expenses)	5 804
Expenses paid out of the General Reserve	(4 994)
Investment return allocated (net Portfolio A return)	351
Closing Balance as at 30 June 2012 before any adjustments	**4 435**

It is clear from the above table that the contributions allocated towards Fund's expenses (averaging roughly 0.7% of pensionable salaries over the 2010/11 year and 0.6% over the 2011/12 year) were greater than the actual administration expenses incurred by the Fund (roughly 0.5% of pensionable salaries), resulting in the growth of the General Reserve over the valuation period. This is due to cautious expense budgeting combined with above-inflation growth in the pensionable salary bill over the valuation period.

7.16 The 2010 valuation report recommended that a balance of R2.000m be retained in the General Reserve as at that date (and this is the figure reflected in the valuation report). If this balance were accumulated with net Fund returns (Portfolio A returns) over the two-year period, it would have grown to R2.268m.

7.17 The portion of the contributions allocated to the General Reserve over this two-year period exceeded the actual expenses by R2.486m, as can be seen from the figures in the table in paragraph 7.15. The actual General Reserve balance of R4.435m at the valuation date is therefore somewhat smaller than one might expect. I consider the difference to be immaterial, however.

7.18 If we set the level of the General Reserve at about 6 months' budgeted expenses, this implies a level of **R2.625m** approximately (based on the expense budget of R 5.244m adopted in December 2012 for the calendar year 2013), allowing a release of R1.810m as surplus.

Employer surplus account and Former Member reserve account

7.19 These accounts had nil balances at both the previous and current valuation dates, i.e. they have not been used by the Fund yet. The portion of the 30 June 2010 surplus allocated to former members has been expensed as benefits payable, in the 2012 financial statements.

Section 8: Valuation results

Accrued position

8.1 The following table shows the valuation balance sheet as at 30 June 2010 and 30 June 2012.

8.2 The valuation results shown in the final column of the table reflect the various contingency reserve adjustments proposed in section 7, still to be approved by the Trustees.

	Previous Valuation 30 Jun 2010	Current valuation 30 Jun 2012 (per AFS)	Current valuation 30 Jun 2012 (adjusted)
	R'000	R'000	R'000
Total Liabilities and contingency reserves	**1 853 455**	**2 391 656**	**2 387 519**
Accrued Liabilities	**1 835 146**	**2 370 000**	**2 368 539**
Members' accumulated credits	1 698 928	2 162 870	2 161 409
Pensioner accounts(i)	114 051	207 130	207 130
Adjustments to member & pensioner credits	21 226	-	-
Surplus to be allocated		-	-
Unallocated assets at migration	941		
Contingency reserves(ii)	**18 309**	**21 656**	**18 980**
Processing error reserve	5 344	6 064	3 809
Surplus apportionment cost reserve	1 638	586	586
Data reserve	9 327	10 571	11 960
General reserve	2 000	4 435	2 625
Assets (Total funds and reserves):	**1 865 450**	**2 392 025**	**2 392 025**
Market Value	1 865 450	2 392 025	2 392 025
Actuarial surplus	**11 995**	**369**	**4 506**
Funding level	**100.65%**	**100.02%**	**100.19%**

(i) The only pensions payable from the Fund are those where members choose to take a living annuity from the Fund. The Fund has no obligations for pension increases in respect of such pensioners, and the pensioner also takes on the full investment and mortality risk.

(ii) The 30 June 2012 Contingency Reserve balances shown in the final column are those proposed in section 7 above (and accepted by the Trustees). The necessary adjustments to the Fund accounts were made in June 2013.

Explanation for change in past service position

8.3 The figure of R 369 496 shown as “Amounts to be allocated” in the audited 2012 balance sheet is miscellaneous surplus – we have not investigated its origin as it is clearly immaterial.

8.4 The remainder of the surplus of R 4.506 million shown in this valuation report (in the final column of the table in paragraph 8.2 above) arises partly from the proposed reallocation of the balances held in the Data and Processing Error reserve accounts, which would result in a net overall reduction in these balances of some R0.866m and from the movements on the General Reserve account, which resulted in a net release of some R1.810m – all as discussed in Section 7 above.

8.5 This leaves a balance of some R1.461m which may have arisen from timing profits in the allocation of investment returns to members, or possibly from a small over-statement of the member liabilities as at the previous valuation date, or from other miscellaneous sources – I do not consider that this warrants further investigation.

Comparison of assets and liabilities at portfolio level

8.6 The table below compares the invested assets in each portfolio with the corresponding total members' and pensioners' accumulated credits and reserves at the valuation date, and has been based on the asset/liability match supplied by the administrator after the financial statements were audited. The objective is to assess the extent of any mismatches at the valuation date that could result in deficits or surpluses arising after the valuation date. **We are satisfied that the residual mismatches in column F are insignificant and require no further investigation**.

Portfolio (1)	Invest-ments R'000	Member Credits and Reserves R'000	Benefits still invested R'000	Mismatch R'000	Adjustment R'000	Residual Mismatch R'000
	A	**B**	**C**	**D=(A minus (B+C))**	**E (2)**	**F=(D plus E)**
Portfolio A	270 941	265 958(3)	4 984	(1)	-	(1)
Portfolio B	612 218	605 409	2 388	4 421	(4 419)(4)	2
Portfolio C	1 491 812	1 484 348	7 451	13	-	13
Portfolio D	31 804	31 523	284	(3)	-	(3)
Total	**2 406 776**	**2 387 238**	**15 107**	**4 430**	**(4 419)**	**11**

(1) Portfolio A: Income Fund (money-market portfolio).
Portfolio B: Smoothed-Bonus Fund.
Portfolio C: Balanced Fund.
Portfolio D: Shari'ah Fund.

(2) A negative amount in this column E represents an increase (write-up) in liabilities. A positive amount would represent a reduction (write-down) of the liabilities.

(3) This amount includes only the portion of the reserve accounts that was invested in Portfolio A at the year end (R 22.901m). The remainder is represented by accruals and cash at bank. Similarly the “member credits” included in column B are only the portions invested in portfolios A to D and exclude R1.0m invested in the “exit product” (money market unit trust) and R4.6m attributed to “timing differences between the administrator and the asset managers” in the financial statements, of which the adjustment in respect of Portfolio B makes up the major portion.

(4) This amount relates to the Portfolio B bonuses not allocated on the member records by 30 June 2012, and Portfolio B contributions which were still in the process of being receipted.

Employer contribution rate

8.7 The table below shows the allocation of the employer contribution rate for Permanent Staff and Fixed Term Contract members at 30 June 2012. The changes in this allocation over the inter-valuation period are shown in paragraph 4.6 above.

	Permanent staff	Fixed Term Contract staff
Retirement savings(as specified in Rules)	16.000%	16.000%
Insured death-in-service benefits of the Fund*	0.994%	n/a
Disability income benefits**	0.560%	n/a
Separate Group Life Assurance Scheme**	0.331%	0.993%
Administration fees	0.169%	0.169%
Provision for other Fund expenses	0.346%	0.350%
Extra allocation for retirement savings	4.100%	3.400%
Total	**22.500%**	**20.912%**

*Assuming that the member chooses cover of 6x annual pensionable salary. The underlying premium rate is R0.138 per month per R1000 death cover.

**These arrangements are outside the Fund. The rate shown for separate Group Life cover is for a cover multiple of 1 x annual pensionable salary for permanent staff, and 3 x annual pensionable salary for contract staff – the underlying premium rate is R0.276 per month per R1000 death and permanent disability cover.

8.8 The Fund reinsures its salary-multiple death benefits, and we continue to regard this as prudent and appropriate.

8.9 We regard the current allocation for Fund administration and other expenses and consequently the additional allocation for retirement-funding as prudent, although the latter should be reviewed whenever the insured benefit premium rates change and/or the budget for administration and other expenses changes materially.

8.10 The allocation for administration fees and other Fund expenses was in fact reduced from 0.515% to **0.4754%** (for permanent staff) with effect from 1 January 2013. The extra allocation for retirement funding for these staff reduced from 4.1% to **4.0%** of salaries at that date, because the premium rate for the insured disability income benefit increased from that date with the addition of a “waiver of employer contributions” rider benefit to the disability income policy.

8.11 The total contribution rates are of course fixed in the Fund Rules. The total allocation for retirement funding depends on the Fund’s expenses (and expense budgeting) and on the cost of the insured risk benefits, which are funded from contributions. This total retirement-funding allocation has fluctuated somewhat over recent years - overall it has increased slightly. Given the size of the Fund, the stability of the membership profile and the control exercised by the Trustees over Fund expenses, we judge it unlikely that the retirement-funding allocation will reduce significantly over the next three years.

Section 9: Investment strategy

Professional requirement

9.1 The valuator is required to comment on the nature of the assets and the suitability of the Fund's investment strategy relative to the liabilities.

9.2 This is in addition to the fundamental requirement that the Trustees are responsible for the investment of the assets, and they need to ensure that the investment strategy remains appropriate in relation to the Fund's liabilities.

Asset / Liability Matching

9.3 Under the Fund's default investment strategy for individual members, members' accumulated credits are allocated to a portfolio with a risk and return profile broadly appropriate to their expected term to normal retirement (as described in paragraph 4.2). Members who wish to invest differently, and living annuitants receiving pensions from the Fund, are allowed to choose among (or a combination of) the Fund's four member-choice portfolios.

9.4 The members' accumulated credits are credited at the end of each day with the investment return earned for the previous day on the underlying portfolio(s). The Administrator carries out a monthly reconciliation to check that the accumulated credits in each portfolio correspond to the amount invested in each underlying portfolio, and reports on this to the Trustees.

9.5 The reserve accounts are invested in the money market investment channel (Portfolio A - Income Fund), and benefits awaiting payment are invested in a money market unit trust.

Overall comment

9.6 In view of the above, we consider that the current investment strategy of the Fund and the nature of the assets held by the Fund remain broadly appropriate as at the valuation date in relation to the liability profile. (As the Fund is a Defined Contribution fund, the question of "matching" of assets to liabilities does not arise except in the sense referred to in the Asset / Liability Matching section above, so we do not consider that it is necessary to give any further certification e.g. as to whether the assets are real or nominal.)

9.7 (This is not intended to be a detailed analysis of the investment strategy, or to suggest that this is the best possible strategy for the Fund. We merely confirm that the strategy is broadly suitable for the Fund given the nature of its liabilities.)

Section 10: Conclusion

Key results

10.1 The Fund is in a sound financial position as at 30 June 2012, with sufficient contingency reserves to buffer the Fund against adverse experience. There was no apportionable surplus in the Fund as at the valuation date.

10.2 In respect of the future service contributions, I recommend that permanent members should continue to be credited with an additional 4.000% of pensionable salaries for retirement savings up to 31 December 2013 (i.e. the date at which the next year's expense budget takes effect). These members have already been credited with additional contributions of 4.100% from the valuation date up to 31 December 2012 and 4.000% thereafter.

Similarly, fixed-term contract members should continue to be credited with 3.400% of pensionable salaries for retirement savings up to 31 December 2013. These members have already been credited with additional contributions of 3.400% from the valuation date up to date.

This reflects the fact that the cost of the risk benefits and expenses is well below the threshold of 6.5% of pensionable salary for permanent members defined in the Fund Rules (4.912% for fixed-term contract members).

This allocation should be reviewed if the insured benefit premium rates or the Fund's budgeted expenses change materially before 31 December 2013 (but this is not expected to happen – the next review date for the insured benefits will be 1 March 2014.

10.3 I have recommended new balances for the Processing Error Reserve, Data Reserve and General Reserve as at 30 June 2012, and the Trustees have accepted these recommendations. The adjustments will be reflected in the 30 June 2013 financial statements.

Surplus

10.4 The valuation results show a surplus of R4.506 million as at 30 June 2012, allowing for the revised reserve account balances. This amount is some 0.19% of the in-service and deferred members' and pensioners' accumulated credits as at the valuation date.

10.5 Since the Trustees have agreed that this valuation should be a statutory valuation of the Fund, this surplus may be apportioned in terms of Rule 12.8(2).

10.6 I recommend that the surplus should be allocated to those members who were in-service, deferred or pensioner members of the Fund as at 30 June 2012 and remained members of the Fund at the date on which the allocation is made (including members whose benefit payments are then in progress but not finalized) and that the allocation should be pro rata to members' accumulated credits as at 30 June 2012. Given that the surplus is very small as a percentage of members' accumulated credits, I do not consider it appropriate to allocate a portion thereof to former members who exited the Fund during the two-year inter-valuation period (over which this surplus has arisen) or who exited the Fund between the valuation date and the actual date of apportionment, because in my view the costs of calculating and paying out such amounts would be disproportionate to the amounts involved.

10.7 (The Trustees accepted this recommendation at a meeting held on 14 June 2013.)

Actuarial opinion

10.8 In my opinion:

- the value of the assets is sufficient to cover the accrued actuarial liabilities and therefore the Fund is financially sound at the valuation date;
- there was an apportionable surplus of R4.506 million in the Fund at the valuation date;
- the structure of the benefits and contribution rates is sustainable and consistent with the continued financial soundness of the Fund in future;
- the recommended balances in the contingency reserves are not greater than the provisions that are reasonably required in terms of the contingencies for which they are established, and overall the amounts to be set aside in these reserves are reasonable in the circumstances;
- the investment strategy and the nature of the assets are appropriate to the nature and term of the liabilities of the Fund (which is a Defined Contribution fund);
- the arrangements for the reinsurance of the salary-multiple death benefits are appropriate for the Fund, and it remains appropriate for the Fund to reinsure these benefits;
- the matching of the assets to the liabilities is satisfactory.

EJ Potgieter

Erich Potgieter, B.A (Hons.), Ph.D., F.A.S.S.A
Valuator to the UCT Retirement Fund
Associate of Towers Watson (Pty) Ltd
August 2013

Combrink

Joanna Combrink, B Bus Sc., F.A.S.S.A
Assistant Actuary
Associate of Towers Watson (Pty) Ltd

Appendix A: Membership statistics

In-service membership (including Deferred Pensioners)

In-service and deferred members	Actives	Deferred	Total
Number at 30 June 2010	**3 227**	**84**	**3 311**
New entrants	692	-	692
Adjustments	(19)	-	(19)
Transfers In	45	-	45
Withdrawals	(304)	-	(304)
Retirements	(82)	(7)	(89)
Deaths	(10)	-	(10)
Net transfer to deferred pensioners	(33)	33	-
Transfer to living annuities	(46)	-	(46)
Number at 30 June 2012	**3 470**	**110**	**3 580**

Annual pensionable salaries

Total annual pensionable salaries per annum as advised by the Fund Administrator:

30 June 2010	Number of members	Total Fund Pensionable salaries	Average Fund Pensionable salaries	Average Age
Females	1 875	383 667 463	204 623	43 9/12
Males	1 352	403 045 522	298 111	46 1/12
Total	3 227	786 712 985	243 791	44 9/12

30 June 2011	Number of members	Total Fund Pensionable salaries	Average Fund Pensionable salaries	Average Age
Females	1 943	437 196 137	225 011	44 1/12
Males	1 386	455 846 502	328 894	46 5/12
Total	3 329	893 042 639	268 262	45 1/12

30 June 2012	Number of members	Total Fund Pensionable salaries	Average Fund Pensionable salaries	Average Age
Females	2040	492 363 018	241 354	44 2/12
Males	1430	505 498 593	353 496	46 7/12
Total	3470	997 861 611	287,568	45 2/12

Pensioners and beneficiaries (living annuitants of the Fund)

Pensioners and beneficiaries (living annuitants)	Total
Number at 30 June 2010	**99**
Transfers out	(4)
Living annuitants who purchased life annuity	(2)
New retirements	46
Deaths	(2)
New beneficiaries' pensions	-
Number at 30 June 2012	**137**

Monthly living annuity payments

Total average monthly living annuity payments as shown in the Fund's financial statements:

	Average monthly living annuity payments R'000
12 month period ending 30 June 2010	505
12 month period ending 30 June 2011	640
12 month period ending 30 June 2012	785

Appendix B: Benefit summary

The following is only a summary of the key provisions in the Fund Rules.

ELIGIBILITY CONDITIONS

All persons who are in service of the Employer and who receive a Pensionable Salary are required to be members of the Fund. The Pension Salary is the deemed pensionable amount (portion) of the employee's total remuneration package as defined in the employee's conditions of service, and is subject to a minimum of 50% of the total remuneration package.

NORMAL RETIREMENT AGE

65

PENSIONABLE SERVICE

Membership of the Fund plus any service granted in respect of additional employer contributions on a basis specified in the Rules, plus service under the AIPF.

RETIREMENT BENEFITS

(i) Normal and early retirement

On retirement after the attainment of age 55, a pension secured by the member's accumulated credit. A member may elect to commute part of, or the entire amount of, his/her retirement benefit and receive a lump sum benefit.

(ii) Ill health early retirement

A member may apply to the Trustees to retire early at any age on the basis of ill health, provided that the member is not receiving a disability income benefit in terms of the associated disability income insurance scheme. The benefit is calculated on the same basis as for early retirement.

FORM OF PENSION BENEFIT

The member may choose to receive a "living annuity" from the Fund, or may purchase a life or living annuity from an Insurer in terms of the provisions of GN18 (i.e. the policy will be issued in the name of the retiree, and the Fund will have no further liability toward the retiree).

The Rules provide for a life annuity option from the Fund where the Fund allows this. However, the Trustees have decided not to implement this enabling provision.

DEATH BEFORE RETIREMENT – FUND BENEFITS

(i) Members with less than 10 years' service

Pensions for the member's beneficiaries secured by:

1) An insured benefit of 6 times annual pensionable salary; plus

2) The member's accumulated credit.

(ii) Members with 10 years' service or more

The member may choose the level of death-in-service benefits payable within the following limits:

Minimum cover at time of election

4 times annual pensionable salary, taking into account the member's accumulated credit (i.e. the insured benefit may not be less than 4 times annual pensionable salary minus the accumulated credit at the time the election is made).

Maximum cover

6 times annual pensionable salary plus the member's accumulated credit.

Annually on 1 January, members may choose the level of insured cover they require within these limits. Once a member has chosen to reduce his/her cover, he/she may only increase it again with the consent of the Trustees and subject to providing evidence of good health.

Should the member choose to be covered for less than the maximum insured cover, an additional contribution as determined by the Trustees in consultation with the Actuary will be credited to the member's accumulated credit.

The member's beneficiaries may choose any of the pension options from an insurer or from the Fund, or may choose (subject to taking financial advice) to receive the death benefit (or part thereof) in the form of a lump sum.

No insured benefit is provided from the Fund for contract workers who are Fund members.

WITHDRAWAL BENEFIT

The benefit on voluntary withdrawal, dismissal or retrenchment is the member's accumulated credit.

The member may choose to leave his or her benefit in the Fund until retirement and become a deferred pensioner of the Fund. Alternatively, the benefit may be taken in cash or transferred to another fund, including a provident preservation fund (or the member may take part in cash and preserve the balance).

EMPLOYER CONTRIBUTION

The Employer contributes at a rate of 16.0% of annual pensionable salary in respect of retirement benefits, plus a further amount of 6.5% (4.912% for fixed term contract employees) of annual pensionable salary payable in respect of Fund salary-multiple death-in-service benefits and Fund expenses and, where applicable, the separate disability income benefit and separate Group Life Assurance arrangements.

Appendix C: Valuation Method and Basis

Assets

The investment in the Metropolitan Multi-Manager Smooth Growth Fund has been taken at face value, including declared vested and non-vested bonuses. The remaining assets have been taken into account at full market value, as the members are credited with the full investment return (net of investment management fees) earned on the underlying assets.

Liabilities

The member liabilities are taken as the total of the accumulated credits of all members (including living annuitant pensioners) as at 30 June 2012. We have made minor adjustments to the 30 June 2012 member values reflected in the 2012 financial statements, in agreement with the administrator.

The data reserve, surplus apportionment cost reserve and processing error reserve have been established in accordance with the principles set out in the FSB's Circular PF117, as set out in section 7 of the main report

Appendix D: Revenue Statement

Summarised revenue statement

The following table is a summarised build-up of the Total Funds and Reserves over the valuation period. The numbers were derived from the financial statements.

	1 July 2010 to 30 June 2011	1 July 2011 to 30 June 2012
		R'000
Opening value – Total funds and reserves	**1 865 450**	**2 138 100**
Income	**425 215**	**476 849**
Contributions: Retirement savings	141 828	158 536
Contributions: Additional retirement savings	32 361	36 871
Contributions: Re-insurance and expenses	14 218	15 140
Re-insurance proceeds	4 570	3 413
Transfers from other funds	7 776	8 218
Benefits reinvested to purchase Fund living annuities	28 740	64 881
Net investment returns	195 722	189 790
Outgo	**152 564**	**222 924**
Administration expenses	4 265	5 069
Re-insurance premiums	8 293	8 523
Switch fees	10	10
Surplus apportionment exercise costs	486	173
Transfers to other funds	1 033	1 679
Benefits paid (including pensions)	138 477	207 470
Closing value – Total funds and reserves	**2 138 100**	**2 392 025**

Appendix E: Member Funds and Reserves

Summarised build-up and cash flow movements

The following tables (one for each year) summarise the build-up of the Member and Living Annuitants Funds and Reserves together with the cash flow movements between them over the valuation period. The numbers were derived from the financial statements.

1 July 2010 to 30 June 2011	Members R'000	Living annuitants R'000	Risk Reserve R'000	Data Reserve R'000	Processing Error Reserve R'000	Surplus Expense Reserve R'000	General Reserve R'000	Total Funds and Reserves R'000
Opening value	**1 716 113**	**120 713**	**-**	**7 788**	**12 632**	**1 638**	**6 566**	**1 865 450**
Adjustment to Living annuity balance	6 662	(6 662)	-	-	-	-	-	**-**
Contributions received	135 458	-	8 931	-	-	-	37 647	**182 037**
AVCs	6 369	-	-	-	-	-	-	**6 369**
Risk premiums paid	-	-	(8 293)	-	-	-	-	**(8 293)**
Transfer to member accounts	33 328	-	(638)	-	(971)	5	(31 723)	**-**
Reinsurance recoveries received	-	-	4 570	-	-	-	-	**4 570**
Investment returns	183 235	10 755	-	521	778	94	340	**195 722**
Member transfers into the Fund	7 776	-	-	-	-	-	-	**7 776**
Member transfers out of the Fund	-	(1 033)	-	-	-	-	-	**(1 033)**
Benefits paid	(92 227)	(12 940)	(4 570)	-	-	-	-	**(109 737)**
Retirals taking Fund living annuities	(28 740)	28 740	-	-	-	-	-	**-**
Fund expenses paid	(10)	(17)	-	-	-	(486)	(4 247)	**(4 761)**
Closing value	**1 967 965**	**139 555**	**-**	**8 309**	**12 439**	**1 250**	**8 582**	**2 138 100**

1 July 2011 to 30 June 2012	Members R'000	Living annuitants R'000	Risk Reserve R'000	Data Reserve R'000	Processing Error Reserve R'000	Surplus Expense Reserve R'000	General Reserve R'000	Total Funds and Reserves R'000
Opening value	**1 967 965**	**139 555**	**-**	**8 309**	**12 439**	**1 250**	**8 582**	**2 138 100**
Allocation of 2010 surplus	10 405	786	-	1 715	(7 041)	(557)	(5 307)	**-**
Contributions received	150 825	-	9 337	-	-	-	5 804	**165 966**
AVCs	7 711	-	-	-	-	-	-	**7 711**
Risk premiums paid	-	-	(8 523)	-	-	-	-	**(8 523)**
Transfer to member accounts	37 685	-	(814)	-	-	-	-	**36 871**
Reinsurance recoveries received	-	-	3 413	-	-	-	-	**3 413**
Investment returns	175 098	13 061	-	547	666	67	351	**189 790**
Member transfers into the Fund	8 218	-	-	-	-	-	-	**8 218**
Member transfers out of the Fund	-	(1 679)	-	-	-	-	-	**(1 679)**
Benefits paid	(129 757)	(9 419)	(3 413)	-	-	-	-	**(142 589)**
Retirals taking Fund living annuities	(64 881)	64,881	-	-	-	-	-	**-**
Fund expenses paid	(30)	(55)	-	-	-	(173)	(4 994)	**(5 252)**
Closing value	**2 163 239**	**207 130**	**-**	**10 571**	**6 064**	**587**	**4 435**	**2 392 025**