
BOARD NOTICE

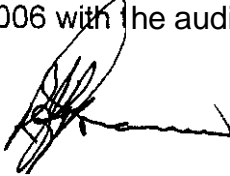
BOARD NOTICE 58 OF 2007

PENSION FUNDS ACT NO 24 OF 1956

I, Robert James Gourlay Barrow, Registrar of Pension Funds, hereby, under regulation 12(2) of the Regulations made under the Pension Funds Act, 1956 (No. 24 of 1956), replace the following prescribed audit reports of the Annual Financial Statements issued under Board Notice 43 of 2006:

Schedule D of the Annual Financial Statements for Large Privately Administered Funds (Annexure A) as well as Large Underwritten Funds (Annexure B) issued under Board Notice 43 of 2006 with the audit report referred to as Schedule D to this Board Notice.

Schedule IB of the Annual Financial Statements for Large and Small Privately Administered Funds (Annexures A and C) as well as Large and Small Underwritten Funds (Annexures B and D) issued under Board Notice 43 of 2006 with the audit report referred to as Schedule IB to this Board Notice.



RJG BARROW
Registrar of Pension Funds

SCHEDULE D

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF [NAME OF FUND] AND THE REGISTRAR OF PENSION FUNDS

We have audited the annuai financial statements of [name of pension fund], which comprise the report of the board of trustees, and the statement of net assets and funds as at [insert date of period end], and the statement of changes in net assets and funds for the [year/period] then ended, and the notes to the financial statements, which include the principal accounting policies and other explanatory notes, as set out on pages <xxx to xxx>.

Board of Trustees' Responsibility for the Financial Statements

The board of trustees is responsible for the preparation and presentation of these financial statements for regulatory purposes, in accordance with the basis of preparation applicable to retirement funds in South Africa, as set out in the notes to the financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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 judgment, 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 and presentation 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 financial statements of <name of fund> for the <year /period> ended <insert date of period end> have been prepared, in all material respects, in accordance with the basis of preparation applicable to retirement funds in South Africa as set out in the notes to the financial statements.

Emphasis of Matter¹

Where applicable, an emphasis of matter paragraph may be included²

¹ Remove if not applicable.

² ISA 701 paragraphs 5-10. Where the information contained in any of the documents bound in with the Annual Financial Statements on which the auditor reports, which is materially inconsistent with the financial statements on which the auditor reports, or contains material misstatement of facts, the auditor considers the guidance in ISA 720 'Other information in documents containing audited financial statements' and whether it is necessary to draw attention to such inconsistency or misstatement by way of an *Emphasis of matter*. For example statements in Schedule E - *The board of trustees report* which may materially conflict with information contained in Schedule HB - *Report of the valuator*.

*Other Matters****Restriction on use***

The financial statements are prepared for regulatory purposes in accordance with the basis of preparation indicated above. Consequently, the financial statements and related auditor's report may not be suitable for another purpose.

Report on Other Legal and Regulatory Requirements

There may be further reporting responsibilities, for example:

The auditor's reporting responsibilities in terms of the *Auditing Profession Act – Section 45:*

'Duty to report on irregularities'.³

Audit *firm* name

Address

Auditor's Signature

Registered Auditor

Date

³ ISA 700(Revised) paragraph 46.

<Name of Pension Fund>

<Registration Number>

SCHEDULE D

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF [NAME OF FUND] AND THE REGISTRAR OF PENSION FUNDS

We have audited the attached Schedule IB 'Assets of the fund held in compliance with Regulation 28' (the "Schedule") by <insert name of pension fund> (the Fund) as at <insert year / period end>, as set out on pages x to x.

Board of Trustees' Responsibility for Schedule IB

The board of trustees is responsible for the preparation of the Schedule in accordance with Regulation 28 of the Pension Funds Act of South Africa (the Act), from information derived from the accounting records of the fund, and for ensuring that the Schedule is in compliance with Regulation 28 of the Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of the Schedule that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule 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 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 Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the Schedule 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 Schedule.

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

Opinion

In our opinion, Schedule IB 'Assets of the fund held in compliance with Regulation 28' by <insert name of Pension Fund> as at <insert year / period end> has been prepared, in all material respects, in accordance with the requirements of Regulation 28 of the Pension Funds Act of South Africa.

Other matter - Restriction on use and distribution

Schedule IB is prepared solely for regulatory purposes and as a result, the Schedule and related auditor's report may not be suitable for another purpose and may not be distributed to or relied upon by any parties other than the trustees and the Registrar of Pension Funds.

Audit firm name

Address

Auditor's Signature

Registered Auditor

Date
