



METAL INDUSTRIES PROVIDENT FUND

REGISTRATION NO. 12/8/25718/1

ANNUAL REPORT TO MEMBERS 2014

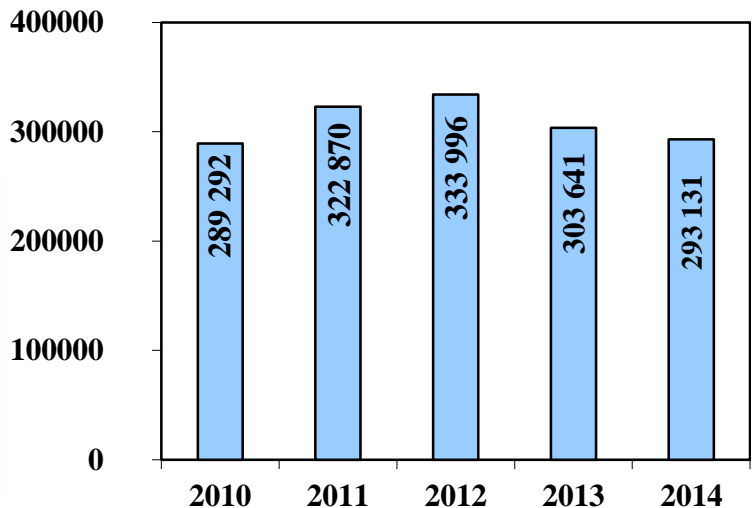
Dear Member,

The Board of Management has pleasure in presenting a report on the Fund for the period ended 31 March 2014.

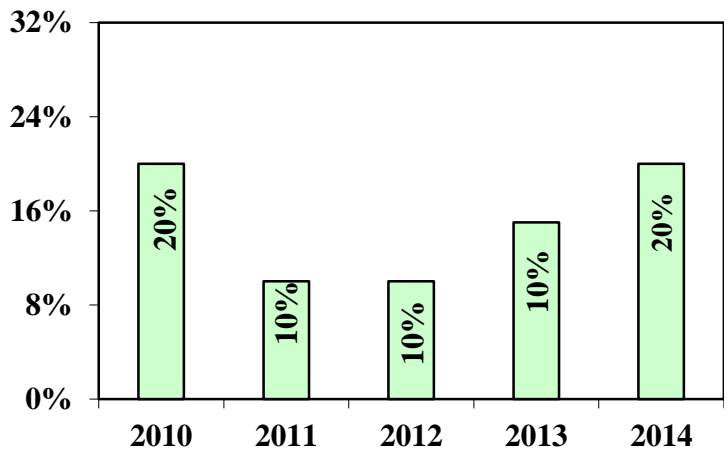
The **Metal Industries Provident Fund** was established in May 1991 and provides lump sum benefits to members on retirement, retrenchment, resignation or dismissal or to their beneficiaries on their death. Members also automatically belong to the **Metal and Engineering Industries Permanent Disability Scheme**, which provides a salary continuation benefit for members who have been declared permanently disabled by the Medical Advisors of the Scheme.

Contributions payable to the Fund in terms of the Industrial Agreement are **6, 9%** of pensionable remuneration by employees and **6, 9%** by employers.

As at 31 March 2014, the Fund had **293 131** contributing members.



CONTRIBUTING MEMBERS



INTEREST AWARDED TO MEMBERS

NOTE:

New employees have the choice of participating in the Metal Industries Provident Fund or in the Engineering Industries Pension Fund. This option may be changed within the first 3 months of Employment.

INTEREST AWARDED ON MEMBERS' FUND CREDITS

The Board of Management has agreed to award members **20%** interest for the year ended 31 March 2014.

FINANCIAL RESULTS AS AT 31 MARCH 2014

BALANCE SHEET

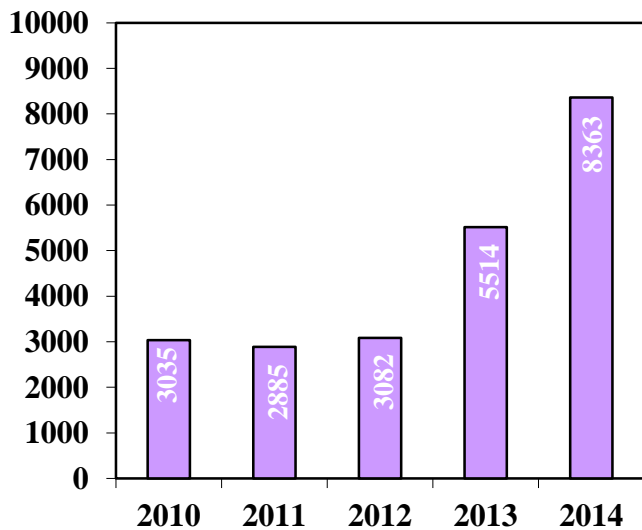
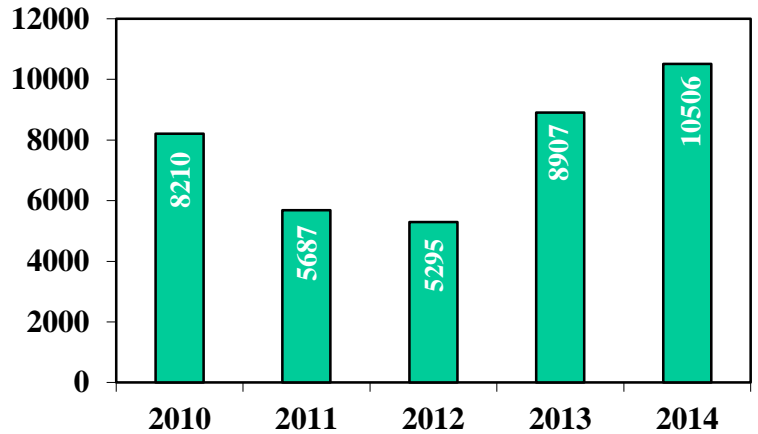
	<u>R'000</u>
INVESTMENTS (AT MARKET VALUE)	38 966 882
CURRENT ASSETS	1 320 390
LESS CURRENT LIABILITIES	<u>(6 809 739)</u>
ACCUMULATED FUNDS	<u>33 477 533</u>

REVENUE AND EXPENDITURE

CONTRIBUTIONS RECEIVED	3 455 539
TRANSFERS RECEIVED	18 601
INVESTMENT INCOME	<u>7 049 936</u>
<u>TOTAL REVENUE</u>	10 524 076
LESS: ADMINISTRATION EXPENSES	(139 378)
BENEFITS PAID	(8 363 272)
TRANSFERS OUT	<u>(215 037)</u>
<u>TOTAL EXPENDITURE</u>	(8 717 687)
ADD ACCUMULATED FUNDS AT BEGINNING OF YEAR	<u>31 671 144</u>
ACCUMULATED FUNDS AT END OF YEAR	<u>33 477 533</u>

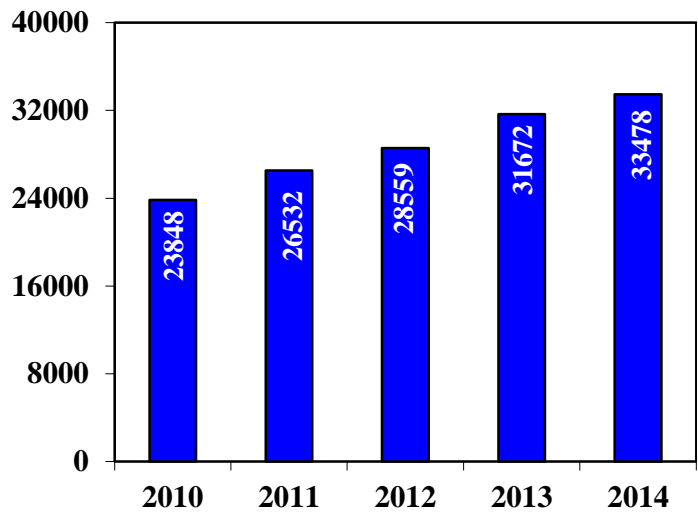
**CONTRIBUTIONS RECEIVED,
INVESTMENT INCOME AND BENEFITS
PAID**

Income from investments earned by the Fund during period amounted to **R7 050m** whilst contributions by members and employers amounted to **R3 456m**. Thus total income excluding transfers amounted to **R10 506m**.



BENEFITS PAID Rm

CONTRIBUTION AND INVESTMENT INCOME Rm



ASSETS Rm

ACTUARIAL REVIEW AS AT 31 MARCH 2013

In terms of the Pension Funds Second Amendment Act of 2007, the Surplus Apportionment date (SAD) of the Fund is 31 March 2008.

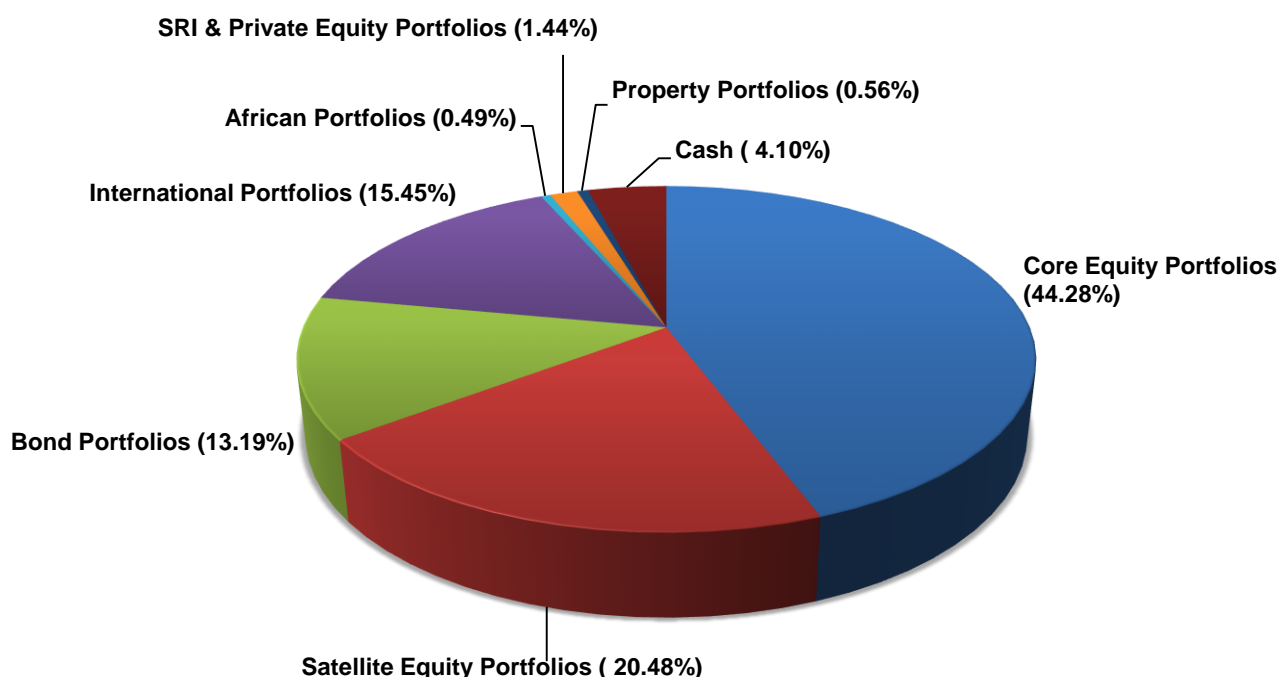
The Trustees of the Fund have finalized the Surplus Apportionment Scheme and it was approved by the Financial Service Board on 30 November 2011 and the surplus distribution exercise is currently in progress.

An actuarial review by Simeka Actuaries (previously Sanlam Actuaries) was carried out as at 31 March 2013 to assess the financial position of the Fund and to recommend an interest rate to be declared on your fund credits.

The actuary certified that the Fund was in a sound financial position as at 31 March 2013.

ASSETS

As at the 31 March 2014 the assets of the Fund amounted to **R38 967m**. The assets were held in the following types of investments, per market values, as set out in the notes to the Financial Statements.



INTEREST DECLARATION ON MEMBERS' FUND CREDITS

The Board of Management in consultation with the Actuary to the Fund declared an interest rate of **20 %** for the period ended 31 March 2014.

PERIOD	FUND INTEREST	PERIOD	FUND INTEREST
01/05/91 – 30/06/92	15%	01/04/03 – 31/03/04	15%
01/07/92 – 28/02/93	13%	01/04/04 - 31/03/05	15%
01/03/93 – 31/12/93	11%	01/04/05 – 31/03/06	21%
01/01/94 – 31/12/94	22%	01/04/06 -31/03/07	27,7%
01/01/95 – 31/12/95	19%	01/04/07 - 31/03/08	10%
01/01/96 – 31/12/96	21%	01/04/08 – 31/03/09	0%
01/01/97 – 31/12/97	15%	01/04/09 – 31/03/10	20%
01/01/98 - 31/12/98	9%	01/04/10 – 31/03/11	10%
01/01/99 – 31/12/99	8%	01/04/11 – 31/03/12	10%
01/01/00 – 31/12/00	9%	01/04/12 – 31/03/13	15%
01/01/01 - 31/12/01	15%	01/04/13 – 31/03/14	20%
01/01/02 – 31/03/03	0%		

It was further declared that the interim interest rate from 1 April 2014 would be **10%**.

FUND MANAGEMENT

The management of the Fund is vested in a Board of Management, comprising an **equal** number of Employee and Employer representatives, with the Chairman being appointed from either side on a two year rotational basis.

The Employers are represented by the **Steel & Engineering Industries Federation of South Africa (SEIFSA)**, whilst the Employees are represented by the following Trade Unions:-

- **National Union of Metal Workers of South Africa (NUMSA)**
- **Solidarity**
- **Metal & Electrical Workers' Union of South Africa (MEWUSA)**
- **United Association of South Africa (UASA)**
- **South African Equity Worker's Association (SAEWA)**

The Fund is administered by:	Metal Industries Benefit Funds Administrators (MIBFA)
The Chairman:	Mr. V. Cibane
The Vice Chairman:	Mr. C. Boyes
The Fund's Auditors:	Ernst & Young/Xabiso Accountants & Auditors
The Fund's Offices:	Metal Industries House, 42 Anderson Street, Johannesburg
Telephone Number:	(011) 870-2000
Facsimile:	(011) 870-2396
Principal Officer:	Mr. O Gire
Website:	www.mibfa.co.za

All claims related queries should be addressed to the MIBFA call center on the following number: 0860102544

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