



# METAL INDUSTRIES PROVIDENT FUND

REGISTRATION NO. 12/8/25718/1

## ANNUAL REPORT TO MEMBERS 2010

Dear Member,

The Board of Management has pleasure in presenting a report on the Fund for the period ended 31 March 2010.

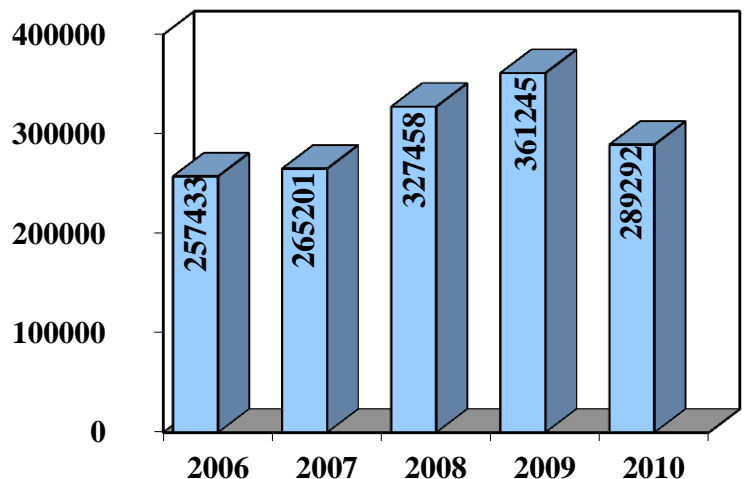
The **Metal Industries Provident Fund** was established in May 1991 and provides lump sum benefits to members on retirement, retrenchment, resignation or dismissal or to their beneficiaries on their death. Members also automatically belong to the **Metal and Engineering Industries Permanent Disability 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 **6,6%** of pensionable remuneration by employees and **6,6%** by employers.

As at 31 March 2010, the Fund had **289 292** contributing members.

**NOTE:**

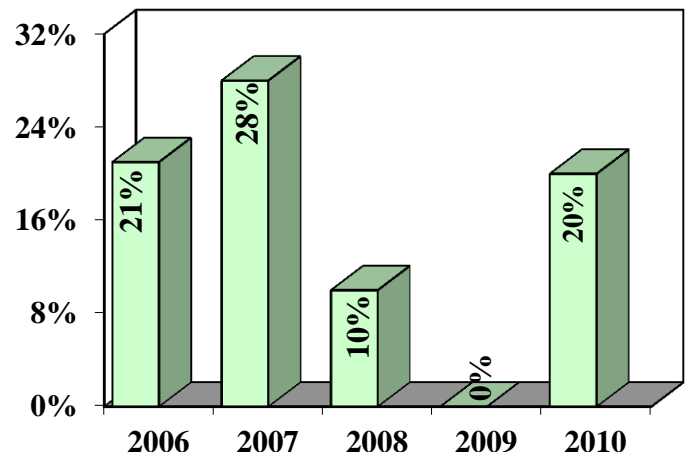
New employees have the choice of participating in the Metal Industries Provident Fund or in the Engineering Industries Pension Fund. This option may be changed within the first 3 months of Employment.



### CONTRIBUTING MEMBERS

### INTEREST AWARDED ON MEMBERS' FUND CREDITS

The Board of Management has agreed to award members **20%** interest for the year ended 31 March 2010.



### INTEREST AWARDED TO MEMBERS

**FINANCIAL RESULTS AS AT 31 MARCH 2009**

**BALANCE SHEET**

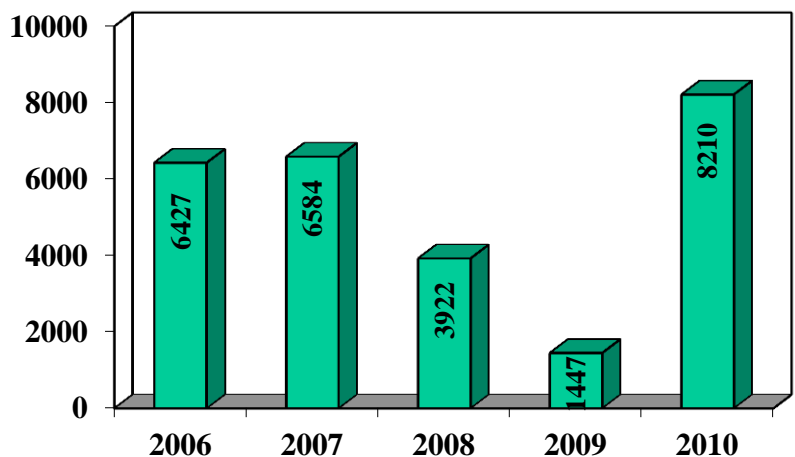
	<u>R'000</u>
<b>INVESTMENTS (AT MARKET VALUE)</b>	<b>26 488 862</b>
CURRENT ASSETS	507 760
LESS CURRENT LIABILITIES	<u>(3 148 421)</u>
ACCUMULATED FUNDS	<u>23 848 201</u>

**REVENUE AND EXPENDITURE**

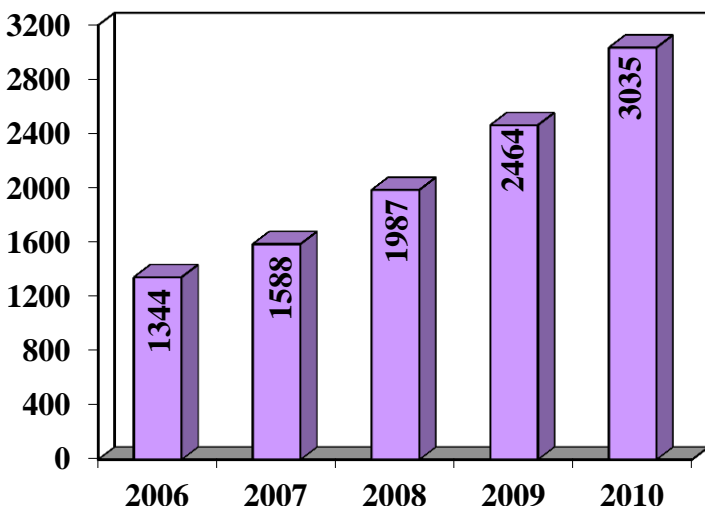
CONTRIBUTIONS RECEIVED	2 001 413
TRANSFERS RECEIVED	54 954
INVESTMENT INCOME	<u>6 209 009</u>
<b><u>TOTAL REVENUE</u></b>	<b>8 265 376</b>
LESS: ADMINISTRATION EXPENSES	(85 245)
BENEFITS PAID	(3 034 996)
TRANSFERS OUT	<u>(72 316)</u>
<b><u>TOTAL EXPENDITURE</u></b>	<b>(3 192 557)</b>
ADD ACCUMULATED FUNDS AT BEGINNING OF YEAR	<u>18 775 382</u>
ACCUMULATED FUNDS AT END OF YEAR	<u>23 848 201</u>

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

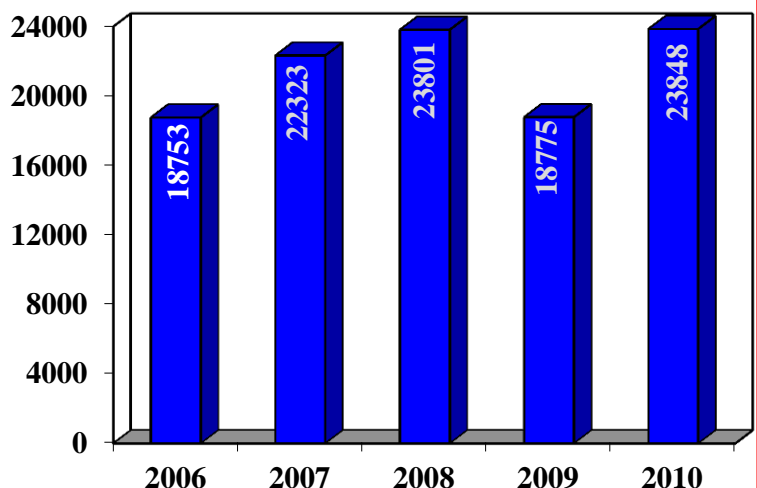
Income from investments earned by the Fund during period amounted to **R6 209 m** whilst contributions by members and employers amounted to **R 2 001 m**. Thus total income excluding transfers amounted to **R8 210 m**.



**CONTRIBUTION AND  
INVESTMENT INCOME Rm**



**BENEFITS PAID Rm**



**ASSETS Rm**

**ACTUARIAL REVIEW AS AT 31 MARCH 2008**

**INTRODUCTION**

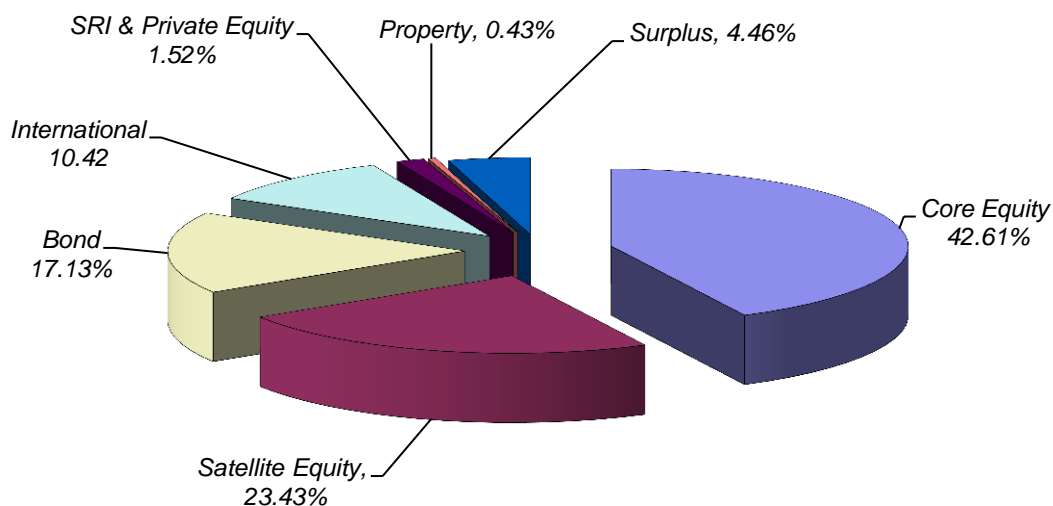
An actuarial review by Simeka Actuaries (previously Sanlam Actuaries) was carried out as at 31 March 2008 to assess the financial position of the Fund and to recommend an interest rate to be declared on your fund credits.

**ACTUARIAL CONCLUSION**

The actuary certified that the Fund was in a sound financial position as at 31 March 2008.

**ASSETS**

As at the 31 March 2010 the assets of the Fund amounted to **R23 848 m**. 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 2010.

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

It was further declared that the interim interest rate from 1 April 2010 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. C. Boyes**

The Vice Chairman: **Mr. V. Cibane**

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](http://www.mibfa.co.za)**

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