



METAL INDUSTRIES PROVIDENT FUND

REGISTRATION NO. 12/8/25718/1

ANNUAL REPORT TO MEMBERS 2023

Dear Member,

The Board of Management has pleasure in presenting a report on the Fund for the period ended 31 March 2023.

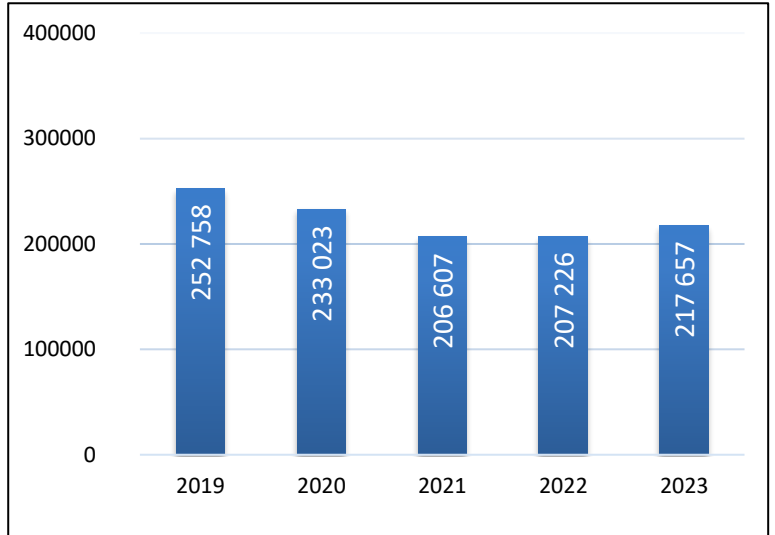
The **Metal Industries Provident Fund** was established in May 1991 and provides lump sum benefits to members on retirement, retrenchment, resignation, dismissal or to their beneficiaries on their death. Members also automatically belong to the **Metal and Engineering Industries Permanent Disability 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 Fund rules and the Industrial Agreement are **7, 5%** of pensionable remuneration by employees and **7, 9%** by employers.

As at 31 March 2023, the Fund had **217 657** contributing members.

NOTE:

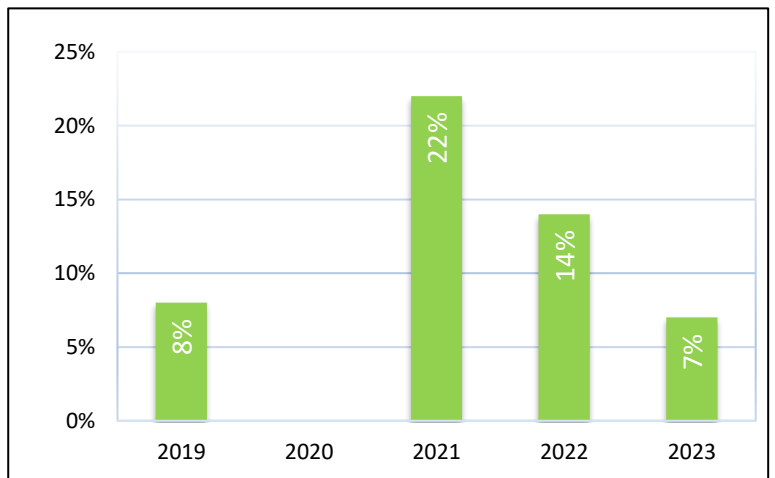
New employees have the choice of participating in the Metal Industries Provident Fund or in the Engineering Industries Pension Fund. This option may be changed within the first 3 months of Employment.



CONTRIBUTING MEMBERS

INTEREST AWARDED ON MEMBERS' FUND CREDITS

The Board of Management has agreed to award members **7%** interest for the year ended 31 March 2023.



INTEREST AWARDED TO MEMBERS

FINANCIAL RESULTS AS AT 31 MARCH 2023

BALANCE SHEET

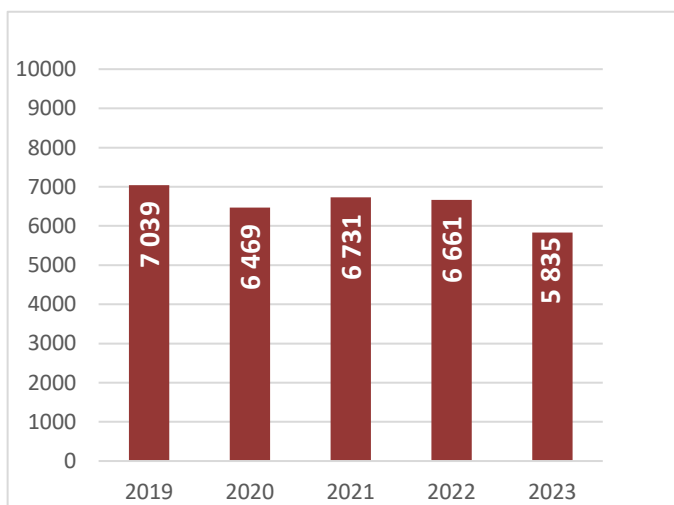
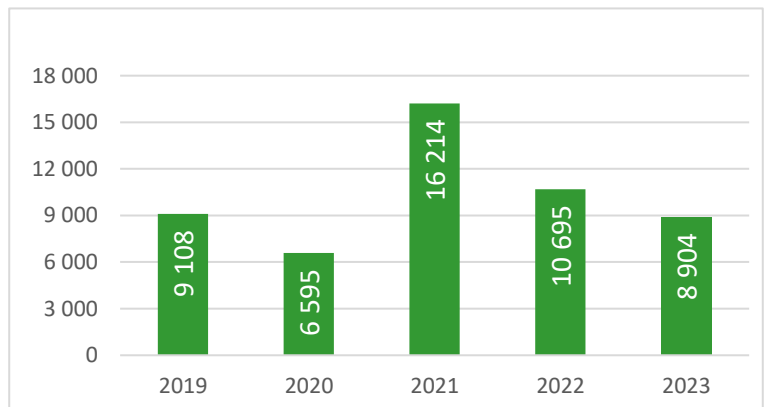
	R'000
INVESTMENTS (AT MARKET VALUE)	65 475 161
CURRENT ASSETS	643 079
LESS CURRENT LIABILITIES	(4 079 938)
ACCUMULATED FUNDS	<u>62 038 302</u>

REVENUE AND EXPENDITURE

CONTRIBUTIONS RECEIVED	4 297 567
TRANSFERS RECEIVED	84 648
INVESTMENT INCOME	4 606 800
<u>TOTAL REVENUE</u>	<u>8 989 015</u>
LESS: EXPENSES	(474 569)
BENEFITS PAID	(5 835 322)
TRANSFERS OUT	(414 600)
<u>TOTAL EXPENDITURE</u>	<u>(6 724 491)</u>
ADD ACCUMULATED FUNDS AT BEGINNING OF YEAR	59 773 778
ACCUMULATED FUNDS AT END OF YEAR	<u>62 038 302</u>

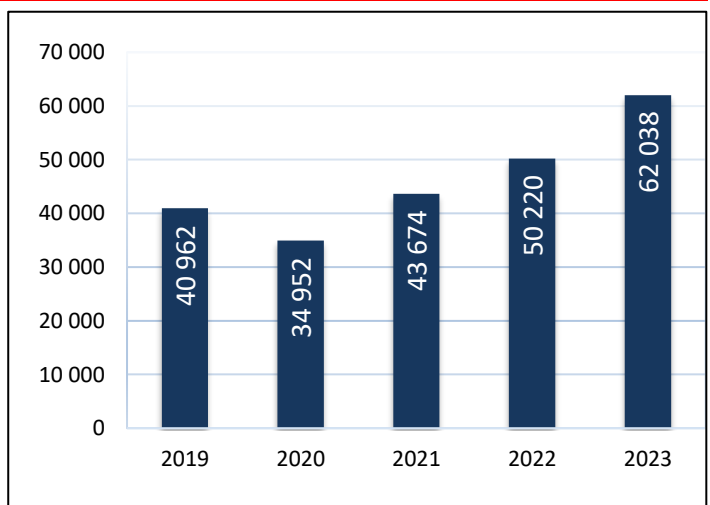
CONTRIBUTIONS RECEIVED, INVESTMENT INCOME AND BENEFITS PAID

Income from investments earned by the Fund during period amounted to **R4 607m** whilst contributions by members and employers amounted to **R4 297m**. Thus total income excluding transfers amounted to **R8 904m**.



BENEFITS PAID Rm

CONTRIBUTIONS AND INVESTMENT INCOME Rm



ASSETS Rm

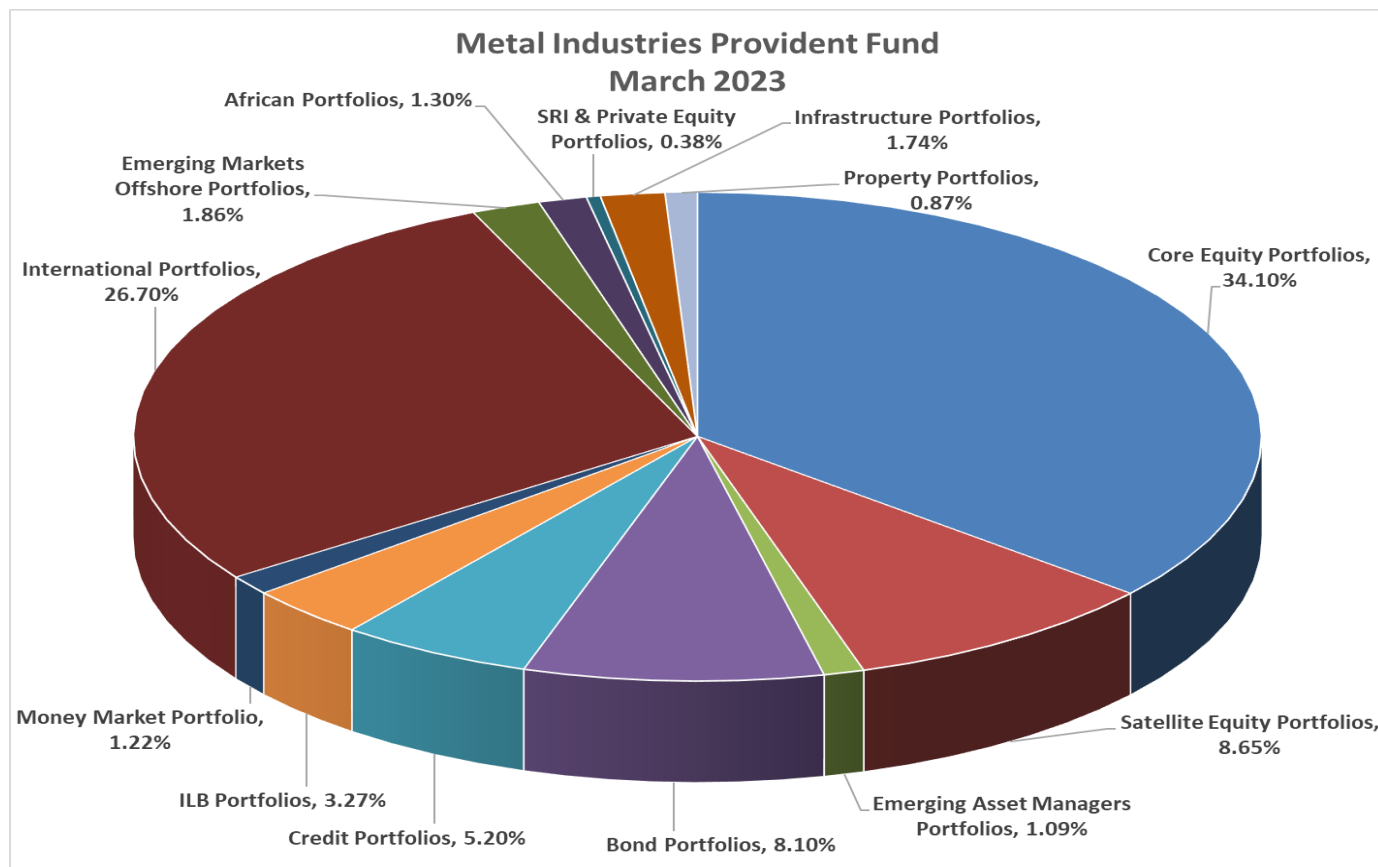
ACTUARIAL REVIEW AS AT 31 MARCH 2022

An actuarial review by Simeka Actuaries (previously Sanlam Actuaries) was carried out as at 31 March 2022 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 2022.

ASSETS

As at the 31 March 2023 the assets of the Fund amounted to **R62 038m**. The assets were held in the following types of investments, per market values, as set out in the notes to the Financial Statements.



The Investments department of MIBFA managed **40,39%** of the investment portfolio, the balance being managed by external managers.

INTEREST DECLARATION ON MEMBERS' FUND CREDITS

The Board of Management in consultation with the Actuary to the Fund declared an interest rate of **7%** for the period ended 31 March 2023.

PERIOD	FUND INTEREST
01/04/13 – 31/03/14	20%
01/04/14 – 31/03/15	10%
01/04/15 -31/03/16	6%
01/04/16 - 31/03/17	6%
01/04/17 – 31/03/18	8%
01/04/18 – 31/03/19	8%
01/04/19 – 31/03/20	0%
01/04/20 – 31/03/21	22%
01/04/21 - 31/03/22	14%
01/04/22 - 31/03/23	7%

It was further declared that the **exit bonus** for members leaving the fund is currently **15%** on a sliding scale based on contributory service.

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 Chairperson 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 Chairperson:	Mr. R. Rajcoomar
The Fund's Auditors:	Ernst & Young Inc.
The Fund's Offices:	Metal Industries House, 42 Anderson Street, Johannesburg
Telephone Number:	(011) 870-2000
Principal Officer:	Mr. O Gire
Website:	<u>www.mibfa.co.za</u>

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

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